

Quarterly Business Review (QBR)

November 4, 2014

10:00 am– 2:15 pm

Rates Hearing Room

To participate by phone that does not charge long distance, please dial: 1-517-966-6629

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When prompted, enter access code: 8134109 #

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Time	Min	Agenda Topic	Slide	Presenter
10:00	5	Review Agenda	2	Mary Hawken
10:05	15	CFO Spotlight	~	Nancy Mitman
Financial Highlights				
10:20	40	<ul style="list-style-type: none"> ▪ Review of 4th Quarter Financial Results ▪ Review of FY 2015 SOY Budget 	3-20	Mary Hawken, Cheryl Hargin, Danny Chen, Kyna Alders, Will Rector
11:00	20	Slice Reporting	21-31	Craig Larson, Alex Lennox, Janice Johnson
11:20	10	<ul style="list-style-type: none"> ▪ Review of 4th Quarter Capital Financial Results ▪ Review of FY 2015 SOY Budget 	32-35	Kathy Rehmer, Kyna Alders
Other Topics				
11:30	20	Transmission Projects Update	36-53	Brian Scott, Jim Hallar
11:50	60	Lunch	~	~
12:50	60	Prioritization Update & Expectations	54	Mike DeWolf, Dennis Naef, Doug Ballou
1:50	15	Debt Management Update	55-62	Damen Bleiler, Melike Kayim, Bill Hendricks
2:00	15	Post-2011 Follow-Up	63-70	Matt Tidwell
2:15	~	Adjourn	~	~

Financial Highlights

Financial Overview for FY 2014 through September 30, 2014

FCRPS

- **Audited FCRPS Net Revenues for FY 2014 is \$444 million. This is \$479 million greater than the rate case forecast.**
- **Adjusted Net Revenue for Power and Transmission is \$236 million.**
 - The Rate Case forecast of Adjusted Net Revenue was \$138 million and the Start-of-Year forecast was \$117 million. The 3rd Quarter Review forecast was \$231 million.
 - The calculation of adjusted net revenue, as reflected in the figures above, remove Energy Northwest debt service associated with regional cooperation debt. The revenues that were not used to pay Energy Northwest debt service were used to pay off a like amount of higher interest federal debt.
- **Financial Reserves ended at a level of \$1,224 million, a decrease of \$48 million from last year. Reserves available for risk were \$784 million.**
- **BPA spent \$929 million on capital projects in FY 2014. This includes projects for Federal Hydro system replacements, transmission expansion and replacements, energy efficiency, fish and wildlife, and information technology projects.**

Power Services

- **Power Services Modified Net Revenues for FY 2014 are \$96 million.**
 - Operating Revenues for FY 2014 are \$2.8 billion.
 - Total expenses (operating expenses and net interest) for FY 2014 are \$2.3 billion.
 - The Power Net Revenue Modification associated with refinancing regional cooperation debt is \$378 million.
- **Power's Net Revenues forecast for the Rate Case was \$9 million and Start-of-Year was \$7 million. The 3rd Quarter Review forecast of Power Modified Net Revenues was \$81 million.**
- **Power Services Modified Net Revenues were \$87 million more than the rate case forecast.**
 - Revenues were \$127 million above the rate case due. Higher than expected streamflows led to increased trading floor revenues.
 - Expenses (total expenses net of the Power Net Revenue Modification) were \$40.5 million above the rate case forecast due to higher power purchases associated with the cold and dry winter. These cost increases were partially-offset by lower staffing costs, lower program costs associated with Fish and Wildlife and Energy Efficiency, and lower interest expense from refinancing (Power) bonds.

Financial Overview for FY 2014 through September 30, 2014

Transmission Services

- **Transmission Services Net Revenues for FY 2014 are \$140 million.**
 - Operating Revenues for FY 2014 are \$1.1 billion.
 - Total Expense (operating expenses and net interest) for FY 2014 are \$912 million.
- **The Net Revenue Rate Case forecast was \$129 million and the Start-of-Year forecast was \$110 million. The 3rd Quarter Review forecast was \$150 million.**
- **Transmission Services exceeded expectations with net revenues coming in \$11 million over the rate case forecast.**
 - Revenues were \$26 million higher than the rate case due to strong hydro conditions resulting in higher Operating Reserve revenues from increased transmission acquisitions and associated Operating Reserve obligations, higher Network Integration revenues and higher Schedule, System Control & Dispatch revenue due to the increases in Short-term and Network Integration.
 - Higher expense of \$14 million was due primarily to higher Acquisition and Ancillary services and depreciation expense. Significantly lower interest expense from refinancing activity this year helped to partially offset the expense increase.

4th Quarter Review – Executive Highlights

(\$ in Millions)

	A	B	C
	FY 2013 Actuals ^{/2}	FY 2014 Start of Year ^{/2}	FY 2014 Unaudited EOY Actuals ^{/2}
1. Revenues ^{/1}	3,413	3,508	3,600
2. Expenses ^{/1}	3,518	3,561	3,157
3. Net Revenues (Expenses) ^{/1,3}	(105)	(54)	444
4. Adjusted Net Revenues ^{/4}	56	117	236
5. End of Year Financial Reserves ^{/5}	1,272	1,272	1,224
6. BPA Accrued Capital Expenditures ^{/6}	632	838	544

Footnotes

- <1 The actuals for Revenues, Expenses and Net Revenues are audited.
- <2 Does not reflect power "bookout" transactions.
- <3 Net revenues include the effects of non-federal debt management. An example of non-federal debt management is the refinancing of EN debt.
- <4 Adjusted Net Revenues is calculated by adding Power Services Modified Net Revenues and Transmission Services Net Revenues.
- <5 Financial reserves consist of BPA cash, investments in U.S. Treasury market-based special securities and deferred borrowing.
- <6 Funded by borrowing from the U.S. Treasury.

FY 2014 Fourth Quarter Financial Results & FY 2015 Start-of-Year Budget

Report ID: 0023FY14

Transmission Services Summary Statement of Revenues and Expenses

Run Date/Time: October 17, 2014/ 05:29

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended September 30, 2014

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 100%

	A	B	C	D <Note 1>	E
	FY 2013	FY 2014			FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
Operating Revenues					
1 Sales	\$ 803,690	\$ 880,697	\$ 885,210	\$ 899,568	\$ 892,463
2 Miscellaneous Revenues	54,007	34,349	34,357	32,597	39,208
3 Inter-Business Unit Revenues	122,177	111,560	108,273	116,212	120,625
4 Total Operating Revenues	979,873	1,026,607	1,027,840	1,048,376	1,052,296
Operating Expenses					
5 Transmission Operations	114,942	140,729	137,877	136,714	131,396
6 Transmission Maintenance	146,933	154,233	154,348	149,546	153,989
7 Transmission Engineering	45,876	41,638	41,627	44,368	52,705
8 Trans Services Transmission Acquisition and Ancillary Services	156,807	131,287	144,052	155,259	155,368
9 Transmission Reimbursables	27,225	10,530	10,333	8,822	12,866
BPA Internal Support					
10 Additional Post-Retirement Contribution	17,820	18,501	18,501	18,501	18,501
11 Agency Services G&A	59,868	59,927	62,713	61,553	68,283
12 Other Income, Expenses & Adjustments	(1,629)	-	-	961	(2,525)
13 Depreciation & Amortization	206,545	197,316	208,515	213,640	213,257
14 Total Operating Expenses	774,388	754,161	777,966	789,364	803,840
15 Net Operating Revenues (Expenses)	205,486	272,446	249,874	259,012	248,455
Interest Expense and (Income)					
16 Interest Expense	174,430	190,047	183,343	156,191	158,240
17 AFUDC	(26,855)	(36,477)	(32,200)	(38,400)	(40,861)
18 Interest Income	(13,493)	(9,647)	(10,921)	(9,102)	(9,254)
19 Net Interest Expense (Income)	134,082	143,923	140,222	108,689	108,125
20 Net Revenues (Expenses)	\$ 71,404	\$ 128,523	\$ 109,652	\$ 150,323	\$ 140,331

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

Report ID: 0023FY14

Requesting BL: TRANSMISSION BUSINESS UNIT

Unit of Measure: \$ Thousands

QBR Forecast Analysis: Transmission Services

Through the Month Ended September 30, 2014

Preliminary/ Unaudited

Run Date/Time: October 17, 2014/ 05:29

Data Source: EPM Data Warehouse

% of Year Elapsed = 100%

		A	B	C
		FY 2014		FY 2014
		Rate Case	Actuals: FYTD	EOY Actuals - Rate Case
Operating Revenues				
1	Sales	\$ 880,697	\$ 892,463	\$ 11,766
2	Miscellaneous Revenues	34,349	39,208	4,859
3	Inter-Business Unit Revenues	111,560	120,625	9,064
4	Total Operating Revenues	1,026,607	1,052,296	25,689
Operating Expenses				
5	Transmission Operations	140,729	131,396	(9,333)
6	Transmission Maintenance	154,233	153,989	(244)
7	Transmission Engineering	41,638	52,705	11,067
8	Trans Services Transmission Acquisition and Ancillary Services	131,287	155,368	24,080
9	Transmission Reimbursables	10,530	12,866	2,337
	BPA Internal Support			
10	Additional Post-Retirement Contribution	18,501	18,501	
11	Agency Services G&A	59,927	68,283	8,356
12	Other Income, Expenses & Adjustments	-	(2,525)	(2,525)
13	Depreciation & Amortization	197,316	213,257	15,941
14	Total Operating Expenses	754,161	803,840	49,679
15	Net Operating Revenues (Expenses)	272,446	248,455	(23,990)
Interest Expense and (Income)				
16	Interest Expense	190,047	158,240	(31,807)
17	AFUDC	(36,477)	(40,861)	(4,384)
18	Interest Income	(9,647)	(9,254)	393
19	Net Interest Expense (Income)	143,923	108,125	(35,798)
20	Net Revenues (Expenses)	\$ 128,523	\$ 140,331	\$ 11,808

Report ID: 0093FY14

Transmission Services Summary Statement of Revenues and Expenses

Run Date/Time: October 28, 2014/ 07:34

Requesting BL: TRANSMISSION BUSINESS UNIT

For SOY Budgetary Review

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

				A	B	C
				FY 2015		
				Rate Case	SOY Budget	DELTA: SOY - Rate Case
Operating Revenues						
1	Sales			\$ 896,107	\$ 895,296	\$ (811)
2	Miscellaneous Revenues			32,744	33,915	1,171
3	Inter-Business Unit Revenues			118,509	104,246	(14,262)
4	Total Operating Revenues			1,047,359	1,033,457	(13,902)
Operating Expenses						
5	Transmission Operations			144,346	144,206	(140)
6	Transmission Maintenance			157,893	161,177	3,284
7	Transmission Engineering			41,769	47,007	5,238
8	Trans Services Transmission Acquisition and Ancillary Services			134,245	150,953	16,708
9	Transmission Reimbursables			10,745	10,745	(0)
	BPA Internal Support					
10	Additional Post-Retirement Contribution			18,819	18,819	-
11	Agency Services G&A			62,083	66,914	4,831
12	Other Income, Expenses & Adjustments			-	-	-
13	Depreciation & Amortization			207,640	223,380	15,740
14	Total Operating Expenses			777,540	823,202	45,662
15	Net Operating Revenues (Expenses)			269,819	210,255	(59,564)
Interest Expense and (Income)						
16	Interest Expense			212,722	174,692	(38,031)
17	AFUDC			(39,234)	(49,000)	(9,766)
18	Interest Income			(13,677)	(7,455)	6,222
19	Net Interest Expense (Income)			159,811	118,237	(41,575)
20	Net Revenues (Expenses)			\$ 110,008	\$ 92,018	\$ (17,990)

Report ID: 0063FY14

Transmission Services Revenue Detail by Product

Run Date/Time: October 17, 2014 08:09

Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended September 30, 2014

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 100%

		A	B	C	D
		FY 2014			FY 2014
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
Transmission Services Operating Revenues					
NETWORK					
1	PTP - LONG TERM	\$ 425,004	\$ 422,291	\$ 419,482	\$ 418,981
2	NETWORK INTEGRATION	127,650	127,650	132,119	132,912
3	INTEGRATION OF RESOURCES	22,328	22,328	22,328	22,328
4	FORMULA POWER TRANSMISSION	29,940	28,982	28,916	28,878
5	PTP - SHORT TERM	28,301	25,635	31,115	31,726
6	TOTAL: NETWORK	633,223	626,887	633,960	634,825
ANCILLARY SERVICES					
7	SCHEDULING, SYSTEM CONTROL & DISPATCH	122,424	121,231	122,460	122,301
8	OPERATING RESERVES - SPIN & SUPP	41,162	45,514	57,399	55,175
9	VARIABLE RES BALANCING	58,631	58,617	58,656	58,641
10	REGULATION & FREQ RESPONSE	5,991	5,991	6,081	6,121
11	ENERGY & GENERATION IMBALANCE	-	4,248	7,450	7,864
12	DISPATCHABLE RES BALANCING	3,116	3,191	2,101	1,760
13	TOTAL: ANCILLARY SERVICES	231,324	238,792	254,147	251,861
INTERTIE					
14	SOUTHERN INTERTIE LONG TERM	81,551	81,788	81,957	81,996
15	SOUTHERN INTERTIE SHORT TERM	4,187	4,045	4,008	3,409
16	MONTANA INTERTIE LONG TERM	115	115	115	115
17	MONTANA INTERTIE SHORT TERM	-	-	45	57
18	TOTAL: INTERTIE	85,853	85,948	86,125	85,576

Report ID: 0063FY14

Transmission Services Revenue Detail by Product

Run Date/Time: October 17, 2014 08:09

Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended September 30, 2014

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 100%

	A	B	C	D
	FY 2014			FY 2014
	Rate Case	SOY Budget	Current EOY Forecast	Actuals
OTHER REVENUES & CREDITS				
19 TOWNSEND-GARRISON TRANS	\$ 12,421	\$ 12,421	\$ 12,376	\$ 12,364
20 GEN INTEGRATION - OTHER REV	9,296	9,296	9,296	9,297
21 USE OF FACILITIES	5,147	5,147	5,094	5,263
22 POWER FACTOR PENALTY	3,566	3,566	3,322	2,983
23 NFP - DEPR PNW PSW INTERTIE	2,943	2,943	3,190	3,315
24 AC - PNW PSW INTERTIE - OTH REV	1,594	1,603	1,671	1,550
25 OPERATIONS & MAINT - OTHER REV	1,054	1,054	963	981
26 COE & BOR PROJECT REV	954	954	954	954
27 RESERVATION FEE - OTHER REV	316	316	557	557
28 TRANSMISSION SHARE IRRIGATION	382	382	390	238
29 LAND LEASES AND SALES	301	301	280	312
30 OTHER LEASES REVENUE	84	84	119	121
31 REMEDIAL ACTION - OTHER REV	51	51	17	40
32 MISC SERVICES - LOSS-EXCH-AIR	100	100	87	120
33 FAILURE TO COMPLY - OTHER REV	-	-	643	975
34 UNAUTHORIZED INCREASE - OTH REV	-	-	544	1,083
35 OTHER REVENUE SOURCES	-	-	-	(31)
36 TOTAL: OTHER REVENUES & CREDITS	38,209	38,216	39,503	40,122
FIBER & PCS				
37 FIBER OTHER REVENUE	7,876	7,876	8,563	8,558
38 WIRELESS/PCS - OTHER REVENUE	4,861	4,861	2,556	4,291
39 WIRELESS/PCS - REIMBURSABLE REV	1,185	1,185	3,128	4,608
40 FIBER OTHER REIMBURSABLE REV	1,157	1,157	1,395	2,614
41 TOTAL: FIBER & PCS	15,080	15,080	15,643	20,070
REIMBURSABLE				
42 REIMBURSABLE - OTHER REVENUE	17,019	17,019	13,357	14,482
43 ACCRUAL REIMBURSABLE	-	-	-	-
44 TOTAL: REIMBURSABLE	17,019	17,019	13,357	14,482
DELIVERY				
45 UTILITY DELIVERY CHARGES	3,266	3,266	3,040	2,775
46 DSI DELIVERY	2,633	2,633	2,603	2,585
47 TOTAL: DELIVERY	5,899	5,899	5,642	5,360
48 TOTAL: Transmission Services Operating Revenues	\$ 1,026,607	\$ 1,027,840	\$ 1,048,376	\$ 1,052,296

Report ID: 0021FY14 **Power Services Summary Statement of Revenues and Expenses** Run Date/Time: October 17, 2014 05:28
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of measure: \$ Thousands Preliminary/Unaudited % of Year Elapsed = 100%

	A	B	C	D <Note 1	E
	FY 2013	FY 2014			FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
Operating Revenues					
1 Gross Sales (excluding bookout adjustment) <Note 2	\$ 2,438,468	\$ 2,434,517	\$ 2,450,598	\$ 2,606,165	\$ 2,572,333
2 Bookout Adjustment to Sales	(66,587)	-	-	(36,280)	(38,281)
3 Miscellaneous Revenues	28,013	29,689	35,816	25,885	26,170
4 Inter-Business Unit	143,689	117,696	128,405	141,018	142,244
5 U.S. Treasury Credits	88,692	101,773	101,773	113,976	108,453
6 Total Operating Revenues	2,632,274	2,683,675	2,716,591	2,850,764	2,810,919
Operating Expenses					
Power System Generation Resources					
Operating Generation Resources					
7 Columbia Generating Station	330,066	298,751	300,514	298,238	297,825
8 Bureau of Reclamation	127,116	140,601	140,601	140,601	137,695
9 Corps of Engineers	208,096	225,687	225,687	225,687	223,451
10 Long-term Contract Generating Projects	22,518	25,999	25,284	21,759	20,969
11 Operating Generation Settlement Payment	22,122	21,405	21,405	19,726	19,225
12 Non-Operating Generation	(25,878)	2,206	2,400	475	160
13 Gross Contracted Power Purchases and Aug Power Purchases	220,987	76,915	95,444	204,591	237,500
14 Bookout Adjustment to Power Purchases	(66,587)	-	-	(36,280)	(38,281)
15 Residential Exchange/IOU Settlement Benefits <Note 2	201,933	201,919	201,919	201,919	201,345
16 Renewables	30,463	39,799	39,807	36,824	35,843
17 Generation Conservation	36,078	48,408	55,760	38,664	37,531
18 Subtotal Power System Generation Resources	1,106,913	1,081,689	1,108,822	1,152,204	1,173,264
Power Services Transmission Acquisition and Ancillary Services	162,351	164,845	164,311	172,090	175,477
20 Power Non-Generation Operations	79,302	92,156	89,980	78,926	75,654
21 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	277,802	295,238	295,238	295,238	272,467
BPA Internal Support					
22 Additional Post-Retirement Contribution	17,820	18,501	18,501	18,501	18,501
23 Agency Services G&A	52,108	55,102	59,353	56,101	58,267
24 Other Income, Expenses & Adjustments	(127)	-	-	645	(999)
25 Non-Federal Debt Service	518,536	514,848	515,983	194,571	140,766
26 Depreciation & Amortization	223,172	224,447	227,870	229,870	227,267
27 Total Operating Expenses	2,437,878	2,446,827	2,480,057	2,198,145	2,140,663
28 Net Operating Revenues (Expenses)	194,397	236,849	236,534	652,618	670,256
Interest Expense and (Income)					
29 Interest Expense	235,578	254,797	255,092	220,411	219,928
30 AFUDC	(10,674)	(11,168)	(11,900)	(12,000)	(9,375)
31 Interest Income	(15,444)	(15,845)	(13,894)	(14,797)	(14,192)
32 Net Interest Expense (Income)	209,460	227,784	229,298	193,614	196,361
33 Net Revenues (Expenses)	\$ (15,064)	\$ 9,065	\$ 7,236	\$ 459,004	\$ 473,895

Power Services Accumulated Net Revenue as-of Quarter Forecast Text Quarter Forecast FY2014 (in Millions) \$443.9		ANR = \$443.9
CRAC: ANR ≤ (\$175.3)	No CRAC or DDC	DDC: ANR ≥ \$574.7

<Note 3

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefit payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

<3 Accumulated Net Revenue (ANR) for 2014 is the sum of Power Services Net Revenue for FY2013 plus the current forecast of Power Services Net Revenue for 2014. The Cost Recovery Adjustment Clause (CRAC) is an upward adjustment to certain rates that would apply during FY2015. The Dividend Distribution Clause (DDC) is a downward adjustment to certain rates that would apply during FY2015. For more information on ANR, CRAC or DDC, please refer to pages 39-49 of the 2014 Power Rates Schedules and General Rates Schedule Provisions (GRSP).
http://www.bpa.gov/Finance/RateInformation/RatesInfoPower/FY2014-15_Power_Rate_Schedules_GRSPs_06-09-2014.pdf

Report ID: 0021FY14 Requesting BL: POWER BUSINESS UNIT Unit of measure: \$ Thousands	QBR Forecast Analysis: Power Services Through the Month Ended September 30, 2014 Preliminary/ Unaudited	Run Date/Time: October 17, 2014 05:28 Data Source: EPM Data Warehouse % of Year Elapsed = 100%
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		A	B	C
		FY 2014		FY 2014
		Rate Case	Actuals: FYTD	EOY Actuals - Rate Case
Operating Revenues				
1	Gross Sales (excluding bookout adjustment) <Note 2	\$ 2,434,517	\$ 2,572,333	\$ 137,815
2	Bookout Adjustment to Sales	-	(38,281)	(38,281)
3	Miscellaneous Revenues	29,689	26,170	(3,520)
4	Inter-Business Unit	117,696	142,244	24,549
5	U.S. Treasury Credits	101,773	108,453	6,681
6	Total Operating Revenues	2,683,675	2,810,919	127,244
Operating Expenses				
Power System Generation Resources				
Operating Generation Resources				
7	Columbia Generating Station	298,751	297,825	(926)
8	Bureau of Reclamation	140,601	137,695	(2,906)
9	Corps of Engineers	225,687	223,451	(2,236)
10	Long-term Contract Generating Projects	25,999	20,969	(5,031)
11	Operating Generation Settlement Payment	21,405	19,225	(2,180)
12	Non-Operating Generation	2,206	160	(2,046)
13	Gross Contracted Power Purchases and Aug Power Purchases	76,915	237,500	160,585
14	Bookout Adjustment to Power Purchases	-	(38,281)	(38,281)
15	Residential Exchange/IOU Settlement Benefits <Note 2	201,919	201,345	(574)
16	Renewables	39,799	35,843	(3,956)
17	Generation Conservation	48,408	37,531	(10,876)
18	Subtotal Power System Generation Resources	1,081,689	1,173,264	91,574
19	Power Services Transmission Acquisition and Ancillary Services	164,845	175,477	10,632
20	Power Non-Generation Operations	92,156	75,654	(16,502)
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	295,238	272,467	(22,770)
BPA Internal Support				
22	Additional Post-Retirement Contribution	18,501	18,501	
23	Agency Services G&A	55,102	58,267	3,165
24	Other Income, Expenses & Adjustments	-	(999)	(999)
25	Non-Federal Debt Service	514,848	140,766	(374,082)
26	Depreciation & Amortization	224,447	227,267	2,820
27	Total Operating Expenses	2,446,827	2,140,663	(306,163)
28	Net Operating Revenues (Expenses)	236,849	670,256	433,407
Interest Expense and (Income)				
29	Interest Expense	254,797	219,928	(34,869)
30	AFUDC	(11,168)	(9,375)	1,793
31	Interest Income	(15,845)	(14,192)	1,653
32	Net Interest Expense (Income)	227,784	196,361	(31,423)
33	Net Revenues (Expenses)	\$ 9,065	\$ 473,895	\$ 464,830

Report ID: 0022FY14	Power Services Schedule of Net Revenue (Expense) to Modified Net Revenue	Run Date/Time: October 17, 2014 14:42
Requesting BL: POWER	Through the Month Ended September 30, 2014	Data Source: EPM Data Warehouse
Unit of measure: \$ Thousands	Preliminary/ Unaudited	% of Year Lapsed = 100%

	A	B
	FY 2014	FY 2014
	Current EOY Forecast	Actuals: FYTD
1 Power Net Revenue (Expense)	\$459,004	\$473,895
2 Net Revenue Modifications <Note 1	(378,089)	(378,089)
3 Power Modified Net Revenue	\$80,915	\$95,806

< 1 Power Modified Net Revenue (PMNR) is the result of a modification to Power Net Revenues for the purpose of mitigating the effects of debt management transactions that were not anticipated in the BP-14 Power Rate Case. PMNR excludes the impact of refinancing actions that result in non-cash net revenues or are being offset by cash transactions not reflected on the Power Income Statement in the same Fiscal Year (e.g., increased Federal Principal Payments on Federal appropriations). In 2014, these transactions are limited to the refinancing of regional cooperation debt.

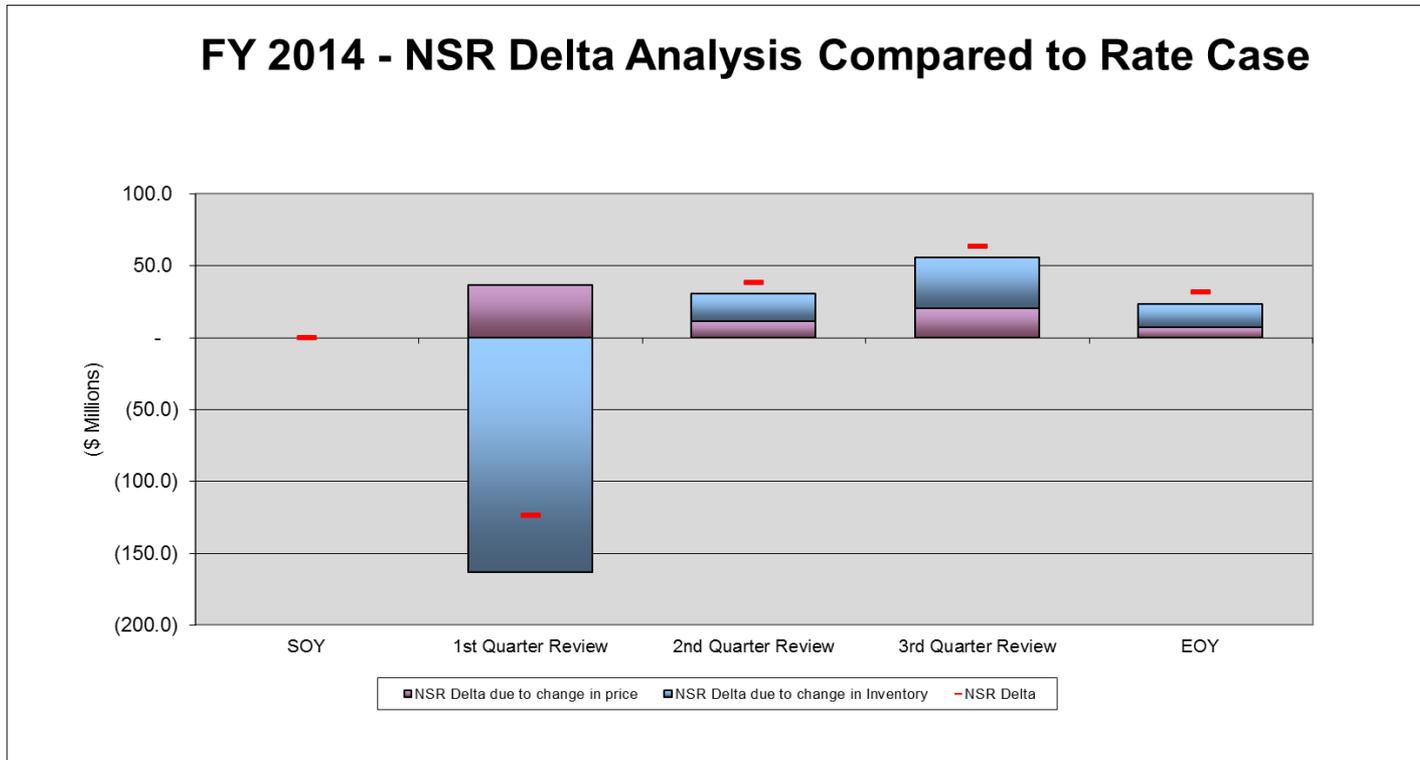
Report ID: 0091FY14 **Power Services Summary Statement of Revenues and Expenses** Run Date/Time: October 28, 2014 07:34
 Requesting BL: POWER BUSINESS UNIT For SOY Budgetary Review Data Source: EPM Data Warehouse
 Unit of measure: \$ Thousands

		A	B	C
		FY 2015		
		Rate Case	SOY Budget	DELTA: SOY - Rate Case
Operating Revenues				
1	Gross Sales (excluding bookout adjustment)	\$ 2,500,387	\$ 2,411,110	\$ (89,277)
2	Bookout Adjustment to Sales	-	-	-
3	Miscellaneous Revenues	29,953	31,394	1,441
4	Inter-Business Unit	112,910	134,767	21,857
5	U.S. Treasury Credits	97,596	99,826	2,230
6	Total Operating Revenues	2,740,845	2,677,096	(63,749)
Operating Expenses				
Power System Generation Resources				
Operating Generation Resources				
7	Columbia Generating Station	338,558	330,763	(7,795)
8	Bureau of Reclamation	143,033	152,533	9,500
9	Corps of Engineers	231,878	237,378	5,500
10	Long-term Contract Generating Projects	26,619	27,843	1,223
11	Operating Generation Settlement Payment	21,906	21,497	(408)
12	Non-Operating Generation	2,228	1,467	(761)
13	Gross Contracted Power Purchases and Aug Power Purchases	149,531	104,278	(45,254)
14	Bookout Adjustment to Power Purchases	-	-	-
15	Residential Exchange/IOU Settlement Benefits	201,899	201,500	(399)
16	Renewables	40,147	40,332	186
17	Generation Conservation	49,320	48,552	(768)
18	Subtotal Power System Generation Resources	1,205,118	1,166,143	(38,975)
19	Power Services Transmission Acquisition and Ancillary Services	165,102	163,363	(1,739)
20	Power Non-Generation Operations	95,010	91,532	(3,478)
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	302,469	302,454	(15)
BPA Internal Support				
22	Additional Post-Retirement Contribution	18,819	18,819	(0)
23	Agency Services G&A	57,215	57,410	195
24	Other Income, Expenses & Adjustments	-	(15,000)	(15,000)
25	Non-Federal Debt Service	441,278	190,785	(250,493)
26	Depreciation & Amortization	229,281	232,228	2,947
27	Total Operating Expenses	2,514,292	2,207,735	(306,557)
28	Net Operating Revenues (Expenses)	226,553	469,361	242,809
Interest Expense and (Income)				
29	Interest Expense	261,996	218,850	(43,146)
30	AFUDC	(11,175)	(11,000)	175
31	Interest Income	(13,911)	(6,587)	7,324
32	Net Interest Expense (Income)	236,909	201,263	(35,647)
33	Net Revenues (Expenses)	\$ (10,357)	\$ 268,099	\$ 278,455

Report ID: 0064FY14 **Power Services Detailed Statement of Revenues by Product** Run Date\Time: October 17, 2014 08:09
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

		A	B	C	D
		FY 2014		FY 2014	FY 2014
		Rate Case	SOY Budget	Actuals	Actuals per Rate Case
Operating Revenues					
Gross Sales (excluding bookout adjustment)					
PF Tier 1 Revenues					
Load Following					
1	Composite	\$ 1,076,106	\$ 1,076,106	\$ 1,076,073	100%
2	Non-Slice	(165,482)	(165,482)	(165,507)	100%
3	Load Shaping	6,306	6,306	2,438	39%
4	Demand	42,954	42,954	55,505	129%
5	Discounts / Fees	(44,565)	(44,565)	(45,318)	102%
6	RSS / RSC	430	430	47	11%
7	REP Refund	(33,152)	(33,152)	(33,152)	100%
8	Other	-	-	(287)	0%
9	Sub-Total: Load Following	882,597	882,597	889,799	101%
Block					
10	Composite	606,124	606,124	592,211	98%
11	Non-Slice	(93,209)	(93,209)	(91,087)	98%
12	Load Shaping	(2,884)	(2,884)	523	-118%
13	Demand	-	-	-	0%
14	Discounts / Fees	(4,837)	(4,837)	(4,837)	100%
15	RSS / RSC	-	-	-	0%
16	REP Refund	(22,711)	(22,711)	(20,674)	91%
17	Other	-	-	(252)	0%
18	Sub-Total: Block	482,483	482,483	475,884	99%
Slice					
19	Composite	626,613	626,613	626,616	100%
20	Slice	-	-	-	0%
21	Discounts / Fees	(4,717)	(4,717)	(3,085)	65%
22	REP Refund	(20,674)	(20,674)	(22,711)	110%
23	Other	-	-	-	0%
24	Sub-Total: Slice	601,222	601,222	600,820	100%
25	PF Tier 2 Revenues	5,502	5,502	5,502	100%
26	NR Revenues	-	-	(117)	0%
27	IP Revenues	106,510	106,583	106,586	100%
28	FPS Revenues	325,277	342,087	497,674	153%
29	Other Revenues	30,926	30,123	(3,816)	-112%
30	Gross Sales (excluding bookout adjustment)	2,434,517	2,450,598	2,572,333	106%
31	Bookout Adjustment to Sales	-	-	(38,281)	0%
32	Miscellaneous Revenues	29,689	35,816	26,170	88%
33	Inter-Business Unit	117,696	128,405	142,244	121%
34	U.S. Treasury Credits	101,773	101,773	108,453	107%
35	Total Operating Revenues	2,683,675	2,716,591	2,810,919	105%

NSR Delta Analysis – Price/Inventory Comparison

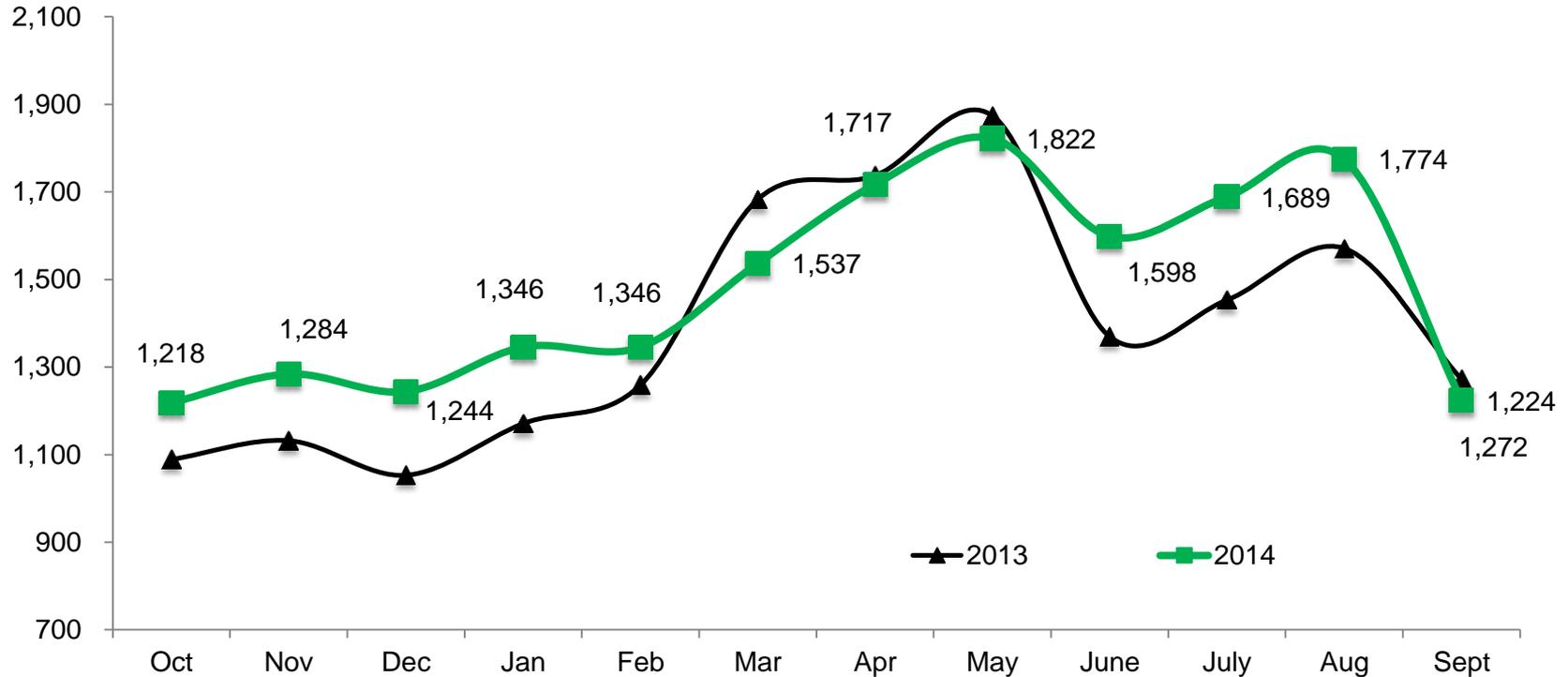


	Rate Case ¹	1st Quarter Review	2nd Quarter Review	3rd Quarter Review	EOY
Net Secondary Revenue Forecast (\$ Millions)	287	163	325	350	318
Water Volume Oct-Sept (MAF)	103	113	136	137	135

1) Rate Case reflects an Adjusted Rate Case NSR removing \$6M in augmentation expense (BP-14 Rate Case).

Financial Reserves

Reserves as of the end of September 2014 are \$1,224 million



Unaudited

End of FY14 Reserves

(\$ Millions)

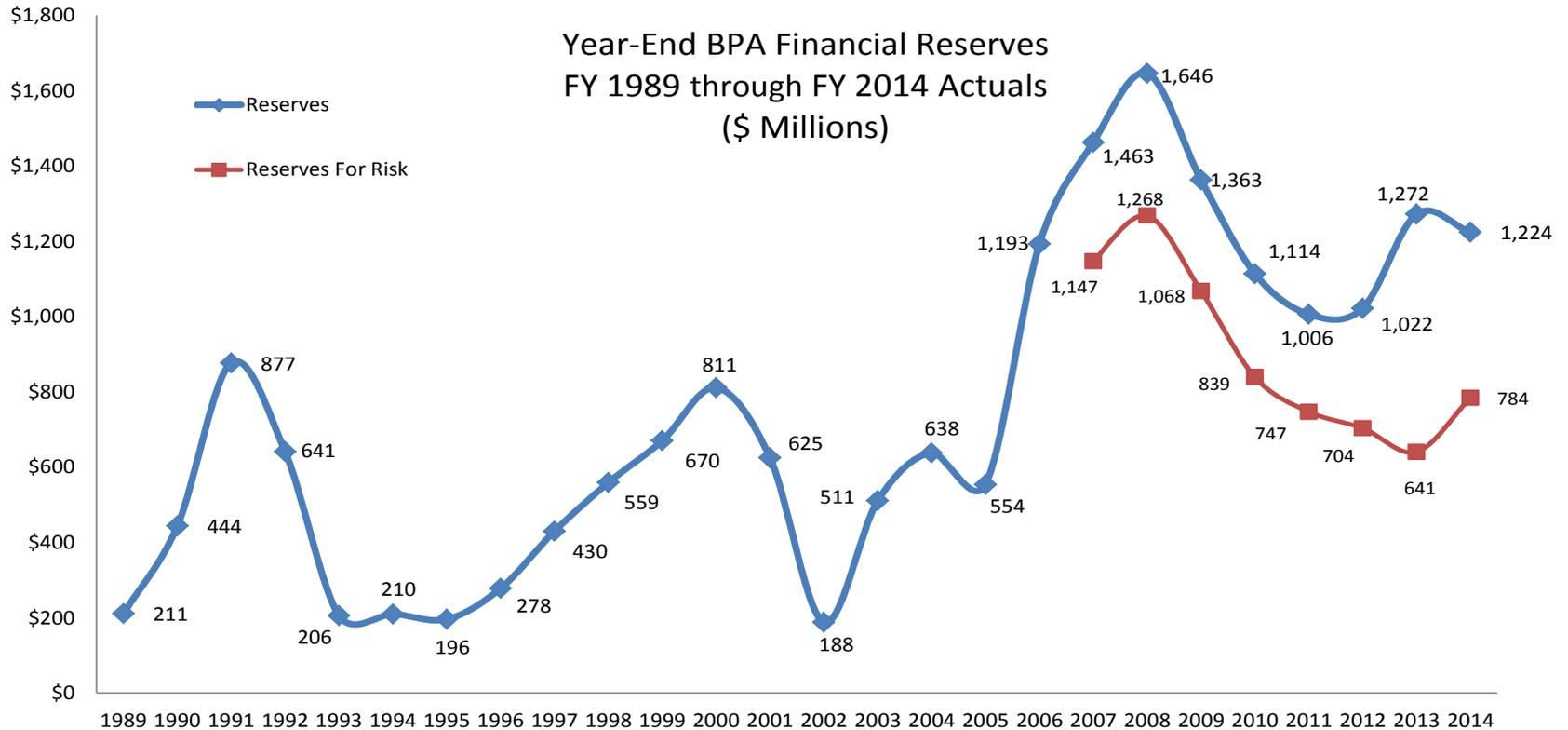
End FY14 Reserves

Less: End of FY14 Reserves Not for Risk

Reserves Available for Risk

Split		
Power	Trans	Total
606	618	1,224
333	107	440
<u>273</u>	<u>511</u>	<u>784</u>

BPA Financial Reserves FY 1989 - FY 2014



Noteworthy Events

Energy Northwest Refinancing

Low Aluminum Prices (VR Price)

Rising Power Market Prices

Direct Pay In Effect

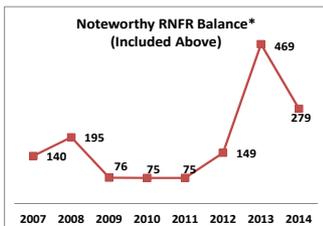
Unanticipated Fish Flow Costs

Energy Northwest Debt Service Reserve Free Ups

2008 \$300M
2009-2014 \$750M

Higher O&M Expenses

Power Prepayment Funds



* Noteworthy Reserves Not For Risk (RNFR) Balance include : Cal ISO Settlement and Prepayment Funds.

Slice Reporting Composite Cost Pool Review Forecast of Annual Slice True-Up Adjustment

Craig Larson
Public Utilities Specialist

Janice Johnson
Accountant

Alex Lennox
Financial Analyst

Q4 Forecast of FY 2014 SLICE TRUE-UP ADJUSTMENT

	FY 2014 Forecast \$ in thousands
February 11, 2014 First Quarter Business Review Update	(\$16,785)
April 29, 2014 Second Quarter Business Review	(\$19,021)
Aug 5, 2014 Third Quarter Business Review	(\$21,843)
November 4, 2014 Fourth Quarter Business Review	(\$40,826)
Actual Slice True-Up Adjustment Charge/Credit (negative amount = credit on bill)	

Summary of Differences From Q4 Forecast to FY 2014 (BP-14)

#		Composite Cost Pool True-Up Table Reference	Q4 – FY 14 \$ in thousands
1	Total Expenses	Row 109	\$(452,602)
2	Total Revenue Credits	Rows 128 + 137	\$33,281
3	Minimum Required Net Revenue	Row 149	\$335,651
4	TOTAL Composite Cost Pool (1 - 2 + 3) (\$452,602K) – \$33,281K+ \$335,651K = (\$150,232K)	Row 151	\$(150,232)
5	TOTAL in line 4 divided by <u>0.9798408</u> sum of TOCAs \$(150,232) / (0.9798408) = (\$153,323)	Row 156	\$(153,323)
6	Q4 Forecast of FY 14 True-up Adjustment 26.62752 percent of Total in line 5 0.2662752 * (\$153,323K) = (\$40,826K)	Row 157	\$(40,826)

Note: Large decrease in Energy Northwest Debt Service of \$375 million from refinancing is offset by equivalent increase in Minimum Required Net Revenue as shown in lines 1 and 3 above.

Lower Level Differences From Q4 Forecast to FY 2014 (BP-14)

#	Line Item of Values Changed Over \$5M	Composite Cost Pool True-Up Table Reference	Q4 – FY 2014 Rate Case (\$ in thousands)
1	LONG-TERM CONTRACT GENERATING PROJECTS	Row 7	\$ (5,031)
2	OTHER POWER PURCHASES (omit, except Designated Obligations or Purchases)	Row 20	\$ 23,146
3	ENERGY EFFICIENCY DEVELOPMENT STRATEGY, FINANCE & RISK MGMT (SOY column C row 60 includes	Row 39	\$ (5,642)
4	REP support costs)	Row 60	\$ (6,529)
5	Fish & Wildlife	Row 74	\$ (22,219)
6	WNP-1 DEBT SVC	Row 88	\$ (267,593)
7	WNP-3 DEBT SVC	Row 89	\$ (107,206)
8	Depreciation	Row 100	\$ 5,983
9	Net Interest Expense	Row 105	\$ (32,425)
10	Generation Inputs for Ancillary, Control Area, and Other	Row 112	\$ 24,549
11	4(h)(10)(c) credit	Row 114	\$ 6,681
12	Energy Efficiency Revenues	Row 116	\$ (6,193)
13	WNP-3 Settlement revenues	Row 121	\$ 6,636

Composite Cost Pool Interest Credit

Allocation of Interest Earned on the Bonneville Fund					
(\$ in thousands)					
		<u>Q1 2014</u>	<u>Q2 2014</u>	<u>Q3 2014</u>	<u>Q4 2014</u>
1	Reserves Prior to FY 2002	570,255	570,255	570,255	570,255
2	Adjustments for pre-2002 Items	-	-	-	-
3	Reserves for Composite Cost Pool (Line 1 + Line 2)	570,255	570,255	570,255	570,255
4	Composite Interest Rate	2.48%	1.95%	1.99%	1.81%
5	Composite Interest Credit	(14,120)	(11,127)	(11,355)	(10,310)
6	Prepay Offset Credit	(8,194)	(4,791)	(4,830)	(3,915)
7	Total Interest Credit for Power Services	(12,593)	(13,060)	(14,797)	(14,192)
8	Non-Slice Interest Credit (Line 7 - (Line 5+6))	9,721	2,858	1,388	33

Net Interest Expense in Slice True-Up Forecast

	<i>\$ in thousands</i>	<i>\$ in thousands</i>
	<u>2014 Rate Case</u>	<u>Q4 Actuals</u>
▪ Federal Appropriation	\$222,306	\$221,253
▪ Capitalization Adjustment	(\$45,937)	(\$45,937)
▪ Borrowings from US Treasury	\$ 63,653	\$ 29,837 ¹
▪ <u>Prepay Interest Expense</u>	<u>\$ 14,775</u>	<u>\$ 14,775</u>
▪ Interest Expense	\$254,797	\$219,928
▪ AFUDC	(\$11,168)	(\$9,375)
▪ Interest Income (composite)	(\$ 7,927)	(\$10,310)
▪ <u>Prepay Offset Credit</u>	<u>(\$ 6,950)</u>	<u>(\$3,915)</u>
▪ Total Net Interest Expense	\$228,752	\$196,327 ²

Note:

1. A Bond Call Discount of (\$20.937 million) is in the Borrowings from US Treasury and shown in MRNR as a non-cash reduction in interest expense.
2. Rounding

Contra Expense and Reinvestments of Green Energy Premiums

<u>FY 2014 Summary of Contra Expense Analysis</u>		
Contra Expense - Actual carry over amount at end of FY 2011		\$ (6,485,201)
Reinvestment Totals from fiscal year 2012		\$ 2,692,132
Reinvestment Totals from fiscal year 2013		\$ 2,569,600
Actual carry over amount for fiscal year 2014		\$ (1,223,469)
Actual Contra Expense for FY 2014 ^{Note 1}		\$ (1,223,469)
<u>Reinvestment Projects in 2014</u>	Row #	Actual 2014 Reinvestments
Power R&D - TIP 0253 Compressed Air project 00296692	58	-197
Power R&D - TIP0260 A Modular and Dispatchable Battery Storage System Project 00316944	58	124,786
Power R&D - TIP0262 Demo 2nd Gen Prototype Ducted GE "Brillion" Hybrid Water Heater Project 00316946	58	44,940
Power R&D - TIP0263 EPRI Development of Next-Generation Heat Pump Water Heater Technology Project 00316948	58	66,739
Power R&D - TIP0266 EWEB / Metropolitan Wastewater Management Commission (MWMC) Project 00316950	58	5,755
Power R&D - TIP0270 Demand Response Demonstration Market Project 00316952	58	23,359
Power R&D - TIP0285 Energy Storage Multifaceted Tool for Demand Management Project 00317602	58	674,953
Power R&D - TIP0286 Energy Storage as a Demand Response Asset Industrial Project 00317603	58	7,971
Power R&D - Smart Grid @ 75% project 00206009 ^{Note2}	58	785,699
Operations Planning - WIT project 00296905	55	615,142
Total Reinvestments are greater than carry over	32	\$ 2,349,148
Note 1: The Contra Expense for FY2014 is limited to the actual carry over amount		
Note 2: This is 75% of the total amount spent		

Effects of Regional Cooperation Debt (RCD) Extension

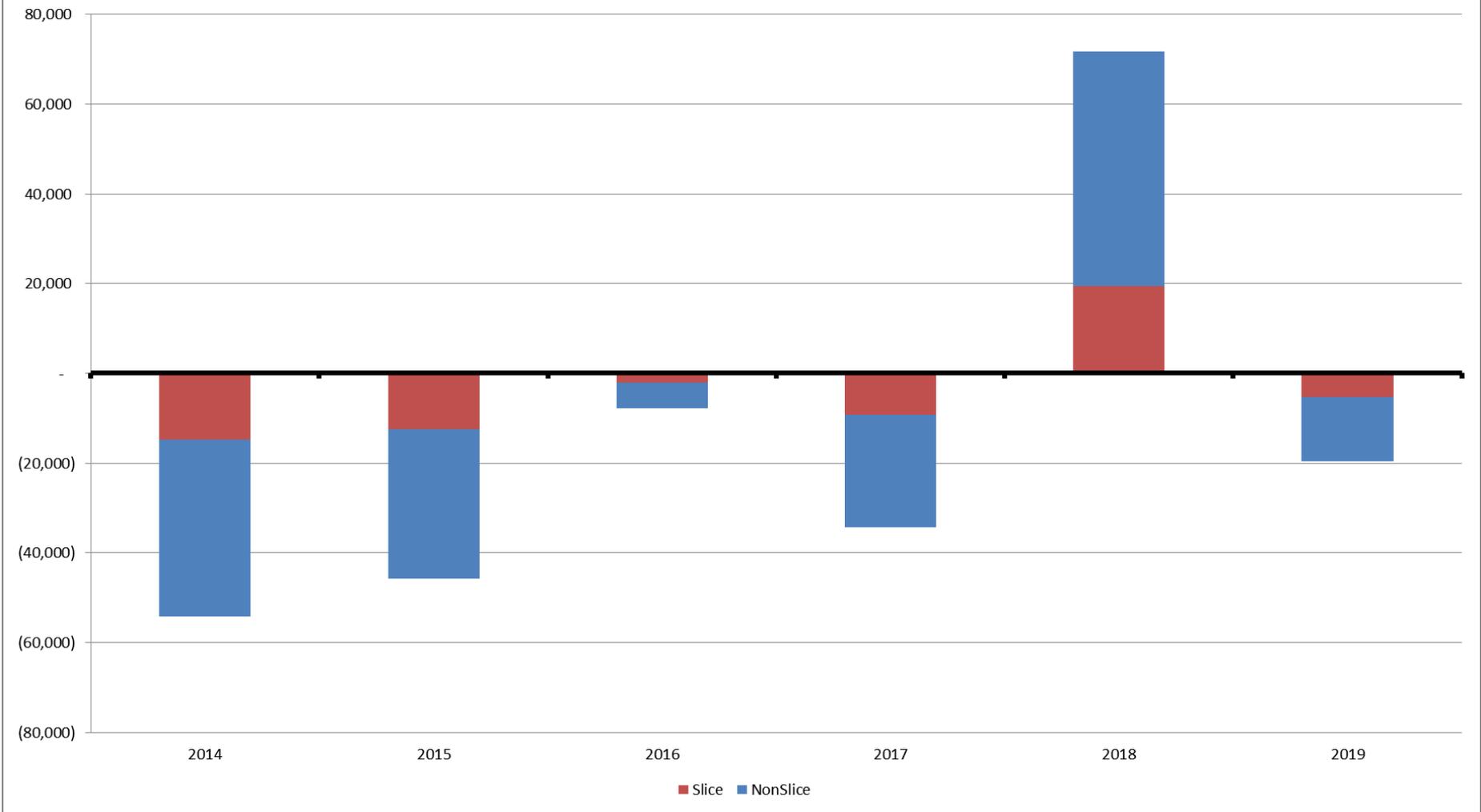
- BPA’s advanced Federal appropriation payments are matched to the EN bond refinancing. For example, EN completed an RCD transaction in August 2014 for \$321 million. At the end of September, 2014, BPA paid down \$321 million in appropriations.
- EN and BPA are on different fiscal years, and debt service appears in BPA’s income statement in accordance with Generally Accepted Accounting Principles (GAAP).
- Converting EN debt service from its fiscal year to the Federal fiscal year requires a ¼ - ¾ split. For example, one-quarter of the debt service in EN’s FY 2015 will appear in BPA’s FY 2014. The remaining ¾ stays in BPA’s FY 2015 which also picks up ¼ of EN’s FY 2016.
- As a result of the fiscal year conversion, the reduction in EN debt service is much larger than the appropriation payment at the beginning of the five year period. It reverses at the end.
- Assuming that RCD transactions occur through FY 2018, the table below shows how each RCD transaction would affect the income statement in comparison to the advanced appropriations payment.

1	PRINCIPAL ONLY	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Grand Total
2	EN Reduction (P1/3)	(378,079)	(268,438)	(383,724)	(394,216)	(322,350)		(1,746,808)
3	Fed Approp Payment	320,615	229,858	384,180	382,355	429,800		1,746,808
4	Grand Total	(57,464)	(38,581)	456	(11,861)	107,450	-	-
5	Slice Effect	(15,515)	(10,417)	123	(3,203)	29,012	-	-

Effect Over Time

- Slice customers should see large true-up credits associated with RCD transactions in FYs 2014 and 2015.
- In the BP-16 rate period, savings will be embedded in the revenue requirement and will affect the base rate rather than the true-up.
- In FY 2018, the Federal appropriations payment will be much larger than the income statement effect of the 2018 RCD transaction because of the fiscal year conversion. This effect will be embedded in the BP-18 revenue requirement. The Slice base rate will increase. The Slice effect will be neutral over the 2014-2018 period.
- The situation is different for non-Slice customers. Their rates in 2014-2015 will not change even though the RCD transactions will result in lower costs. All else being equal, non-Slice customers will contribute to reserves in this period. BPA plans to apply reserves accumulated in this rate period due to the RCD transactions to offset the non-Slice portion of the 2018 increase.

Estimated Revenue Requirement Effect of Full RCD Extension



Slice Impacts with Approximate Interest Expense

TABLE for Slice Impacts of FY 2014 and FY 2015 Debt Extension on Energy Northwest Projects 1 and 3					
Payment Matched to Bond Deal					
SLICE PERSPECTIVE (\$000)					
		Rate Case		Rate Case	
		2014	2014 Impacts	2015	2015 Impacts
Composite Cost Pool Table related sections					
1	ENERGY NORTHWEST DEBT SERVICE				
2	Columbia Generating Station Debt Service	89,776		80,636	
3	WNP-1 Debt Service	248,237	(269,859)	184,536	(156,842)
4	WNP-3 Debt Service	165,601	(108,221)	166,975	(111,596)
5	NF increased interest expense		3,280		15,742
6	TOTAL ENERGY NORTHWEST DEBT SERVICE	503,614		432,147	
7	DEPRECIATION/AMORTIZATION	224,447		229,281	
8	INTEREST EXPENSE:				
9	INTEREST				
10	Federal Appropriated Funds	222,306	0	220,657	(22,984)
11	Capitalization Adjustment	(45,937)		(45,937)	
12	Borrowings from U.S. Treasury	63,653		73,235	
13	NON-Federal Interest (Power Prepay)	14,775		14,041	
14	Allowance for Funds Used During Construction (AFUDC)	(11,168)		(11,175)	
15	Interest Income (composite cost pool)	(7,927)		(11,918)	
16	Prepay Offset Credit	(6,950)		(2,035)	
17	NET INTEREST EXPENSE	228,752		236,867	
18	MINIMUM REQUIRED NET REVENUE (MRNR)				
19	Principal Payment of Federal Debt for Power	106,611	320,625	111,151	229,858
20	Payment of Irrigation Assistance	52,550		52,110	
21	Depreciation/Amortization	(224,447)		(229,281)	
22	Capitalization Adjustment	45,937		45,937	
23	Bond Call Premiums or Discounts	0		0	
24	Interest Expense Customer Prepaid Power	(14,775)		(14,041)	
25	Prepay Program Customer Payments	30,600		30,600	
26	MRNR	(3,524)		(3,524)	
27	TOTAL of MRNR	0		0	
28	Slice True-Up Adjustments		(54,175)		(45,823)
29	Sum of TOCA = 0.9798408 (see Note 1)		0.9798408		0.9851395
30	Total after applying sum of TOCA		(55,289)		(46,514)
31	Slice Percentage = 26.62752 percent		0.2662752		0.2662752
32	Total projected Slice impact is a credit (benefit)		(14,722)		(12,385)

Note 1: The sum of TOCA's are estimates and will be updated at each fiscal year end.

FY 2014 Fourth Quarter Capital Financial Results & FY 2015 Start-of-Year Budget

Report ID: 0027FY14

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures

FYTD Through the Month Ended September 30, 2014

Preliminary Unaudited

Run Date/Run Time: October 17, 2014/ 05:32

Data Source: EPM Data Warehouse

% of Year Elapsed = 100%

		FY 2014		FY 2014		FY 2014	
		A	B	C	D	E	F
		SOY Budget	Current EOY Forecast	Actuals: Sep	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Transmission Business Unit							
1	MAIN GRID	\$ 131,305	\$ 120,039	\$ 12,721	\$ 129,579	99%	108%
2	AREA & CUSTOMER SERVICE	27,133	14,243	391	16,039	59%	113%
3	SYSTEM REPLACEMENTS	233,973	267,604	26,823	253,357	108%	95%
4	UPGRADES & ADDITIONS	256,548	200,040	47,837	200,368	78%	100%
5	ENVIRONMENT CAPITAL	6,804	6,710	818	6,902	101%	103%
	PFIA						
6	MISC. PFIA PROJECTS	4,802	3,662	1,640	6,584	137%	180%
7	GENERATOR INTERCONNECTION	10,118	715	154	757	7%	106%
8	SPECTRUM RELOCATION	200	10	6	16	8%	153%
9	CAPITAL INDIRECT	()	-	19,145	(395)	0%	0%
10	LAPSE FACTOR	(33,158)	-	-	-	0%	0%
11	TOTAL Transmission Business Unit	637,724	613,023	109,536	613,207	96%	100%
Power Business Unit							
12	BUREAU OF RECLAMATION	78,181	44,320	7,792	41,645	53%	94%
13	CORPS OF ENGINEERS	159,461	146,863	18,700	131,242	82%	89%
14	GENERATION CONSERVATION	75,200	94,000	9,045	77,887	104%	83%
15	POWER INFORMATION TECHNOLOGY	9,726	7,470	667	6,910	71%	93%
16	FISH & WILDLIFE	60,275	50,000	17,225	37,353	62%	75%
17	LAPSE FACTOR	(11,882)	-	-	-	0%	0%
18	TOTAL Power Business Unit	370,961	342,653	53,429	295,037	80%	86%
Corporate Business Unit							
19	CORPORATE BUSINESS UNIT	30,060	25,071	2,986	20,506	68%	82%
20	TOTAL Corporate Business Unit	30,060	25,071	2,986	20,506	68%	82%
21	TOTAL BPA Capital Expenditures	\$ 1,038,745	\$ 980,747	\$ 165,951	\$ 928,750	89%	95%

Report ID: 0027FY14
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

QBR Forecast Analysis: BPA Capital Expenditures
 FYTD Through the Month Ended September 30, 2014
 Preliminary Unaudited

Run Date/Run Time: October 17, 2014 05:32
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 100%

		A	B	C
		FY 2014		FY 2014
		SOY Budget	Actuals: FYTD	EOY Actuals - SOY Budget
Transmission Business Unit				
1	MAIN GRID	\$ 131,305	\$ 129,579	\$ (1,726)
2	AREA & CUSTOMER SERVICE	27,133	16,039	(11,094)
3	SYSTEM REPLACEMENTS	233,973	253,357	19,384
4	UPGRADES & ADDITIONS	256,548	200,368	(56,180)
5	ENVIRONMENT CAPITAL	6,804	6,902	97
	<u>PFIA</u>	-	-	-
6	MISC. PFIA PROJECTS	4,802	6,584	1,783
7	GENERATOR INTERCONNECTION	10,118	757	(9,361)
8	SPECTRUM RELOCATION	200	16	(184)
9	CAPITAL INDIRECT	()	(395)	(395)
10	LAPSE FACTOR	(33,158)	-	33,158
11	TOTAL Transmission Business Unit	637,724	613,207	(24,517)
Power Business Unit				
12	BUREAU OF RECLAMATION	78,181	41,645	(36,536)
13	CORPS OF ENGINEERS	159,461	131,242	(28,219)
14	GENERATION CONSERVATION	75,200	77,887	2,687
15	POWER INFORMATION TECHNOLOGY	9,726	6,910	(2,816)
16	FISH & WILDLIFE	60,275	37,353	(22,922)
17	LAPSE FACTOR	(11,882)	-	11,882
18	TOTAL Power Business Unit	370,961	295,037	(75,924)
Corporate Business Unit				
19	CORPORATE BUSINESS UNIT	30,060	20,506	(9,554)
20	TOTAL Corporate Business Unit	30,060	20,506	(9,554)
21	TOTAL BPA Capital Expenditures	\$ 1,038,745	\$ 928,750	\$ (109,995)

Report ID: 0097FY14
 Requesting BL: CORPORATE BUSINESS
 Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures
 For SOY Budgetary Review

Run Date/Run Time: October 28, 2014/ 07:35
 Data Source: EPM Data Warehouse

		A
		FY 2015
		SOY Budget
Transmission Business Unit		
1	MAIN GRID	\$ 125,994
2	AREA & CUSTOMER SERVICE	17,157
3	SYSTEM REPLACEMENTS	232,234
4	UPGRADES & ADDITIONS	304,352
5	ENVIRONMENT CAPITAL	7,114
	<u>PFIA</u>	
6	MISC. PFIA PROJECTS	5,942
7	GENERATOR INTERCONNECTION	12,814
8	SPECTRUM RELOCATION	-
9	COI ADDITION PROJECT	-
10	CAPITAL INDIRECT	-
11	AFUDC	-
12	LAPSE FACTOR	-
13	TOTAL Transmission Business Unit	705,607
Power Business Unit		
14	BUREAU OF RECLAMATION	46,806
15	CORPS OF ENGINEERS	159,043
16	GENERATION CONSERVATION	89,313
17	POWER INFORMATION TECHNOLOGY	7,026
18	FISH & WILDLIFE	51,807
19	LAPSE FACTOR	-
20	TOTAL Power Business Unit	353,995
Corporate Business Unit		
21	CORPORATE BUSINESS UNIT	23,871
22	LAPSE FACTOR	-
23	TOTAL Corporate Business Unit	23,871
24	TOTAL BPA Capital Expenditures	\$ 1,083,472

Transmission Projects Update

Sustain Success!

Brian Scott
Supervisory General Engineer

Jim Hallar
Supervisory Asset Management Specialist

Transmission Asset Strategy

Program Composition

BPA's transmission asset management **sustain** capital program is divided into equipment groups each with long-term asset specific strategies and plans:

- Substations
- Control Centers
- Power System Control / System Telecommunications
- System Protection and Control
- Rights of Way
- Wood Pole Lines
- Steel Lines

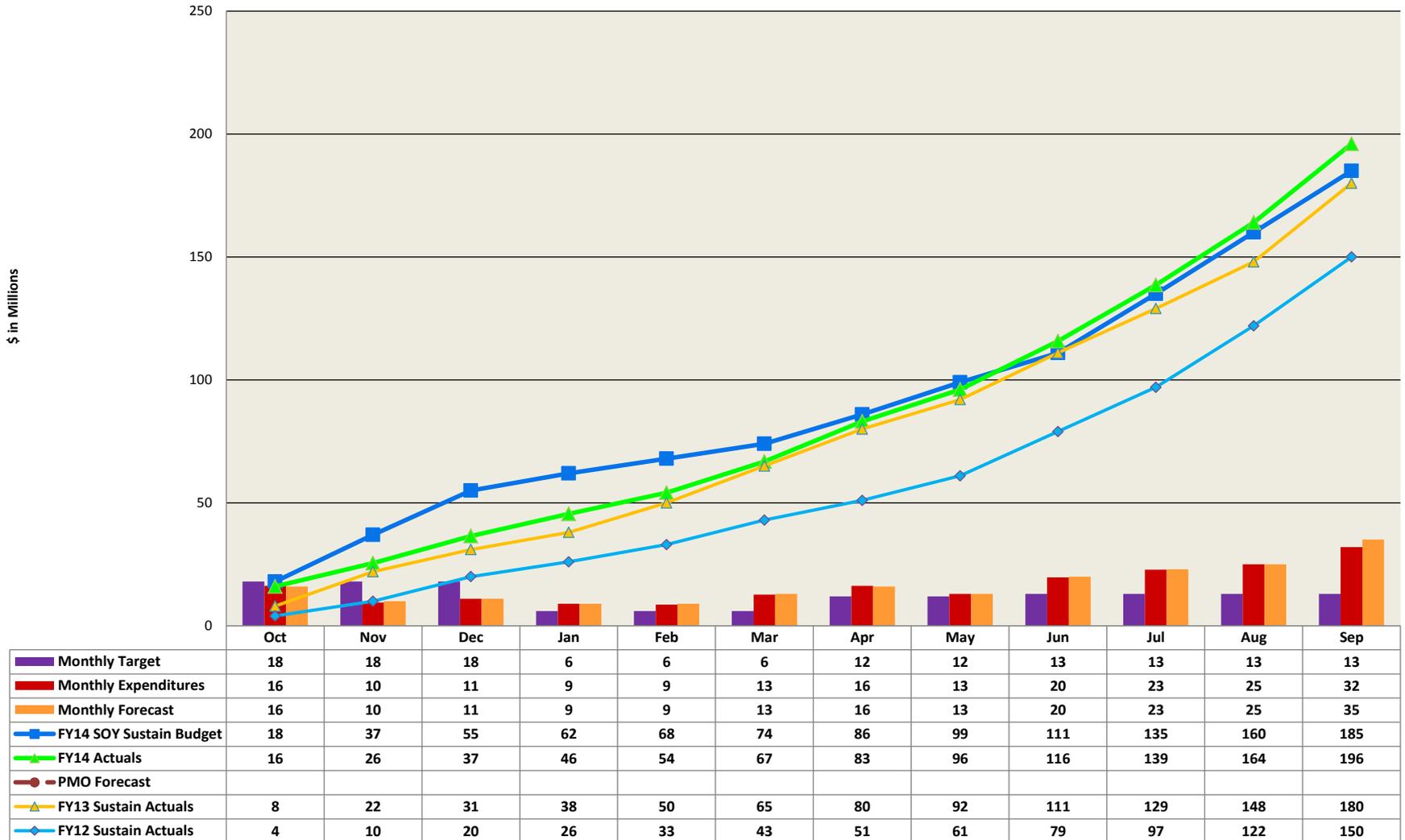


Sustain strategy

Strategic approach

- Address backlog of deferred replacements and reach steady state of equipment replacements based on *economic* lifecycle rather than physical lifecycle
- Coordinate technology evaluation and replacements to assure interoperability
- “Test twice, install once”
- Increase effective predictive analysis
- Improve work related processes to gain efficiencies
- Facilitate more flexible contracting
- Create bundled projects of work across multiple programs to address:
 - equipment dependencies
 - resource availability
 - outage management
- Place spares in strategic locations

FY14 Sustain Capital Target & Expenditures (Direct Dollars Only)



FY 2014 Sustain Program Accomplishments

Alternating Current (AC) Substations

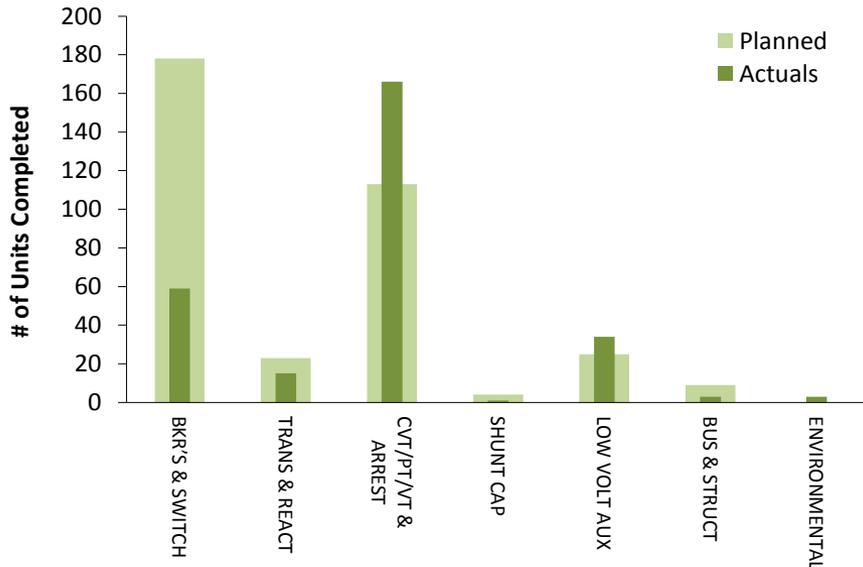
Program Profile

298 Substations and ~32,000 major equipment categories

Power Transformers and Reactors, Power Circuit Breakers, Circuit Switchers, DC Control Batteries and Chargers, Shunt Capacitors, Current Limiting Reactors, Instrument Transformers, Engine Generators, Surge Arrestors, Fuses, Disconnect Switches, Rigid Riser Replacement, Substation Grounding, Substation Bus and Structures, Low Voltage Station Auxiliary, Control Houses

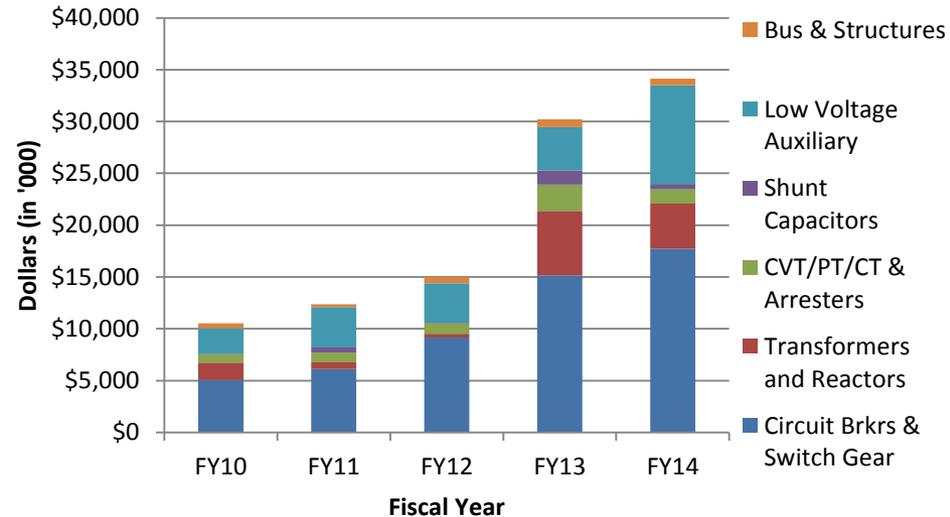
FY 2014 Work Accomplished

FY14 Units Planned vs. Actuals



FY 2014 Dollars Spent

Actuals - Capital FY2010-2014





Monroe Sub, Integrated
Outdoor Equipment
Replacements



Lower Monumental Sub,
Breaker and Structure
Replacements

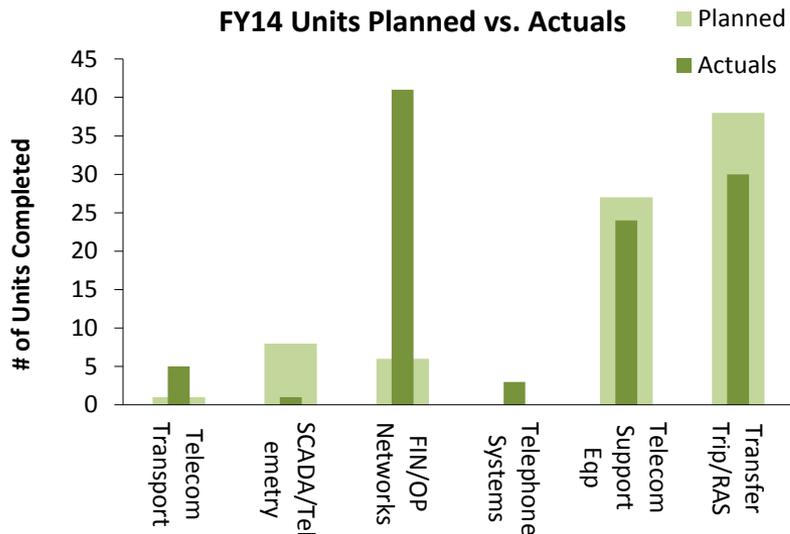
Power System Control (PSC)

Program Profile

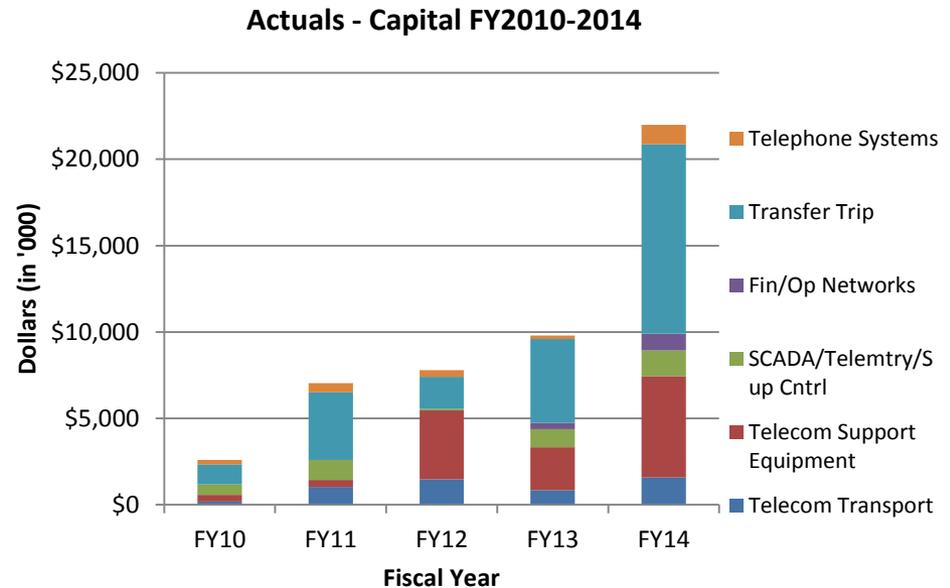
Equipment housed at 732 sites, including 111 radio sites, 482 BPA and customer-owned substations, and 139 other sites such as power houses, maintenance buildings, and control centers.

- Telecom Transport
- Telecom Support Equipment
- SCADA/Telemetry/Supervisory Control
- Field Information Network (FIN)/Operational Networks
- Telephone Systems
- Transfer Trip / Remedial Action Scheme (RAS)

FY 2014 Work Accomplished



FY 2014 Dollars Spent





West Portland Radio Station
Emergency Generator replacement



Maple Valley Sub Replace Transfer Trip



Patrick's Knob Equipment Replacement

System Protection Control (SPC)

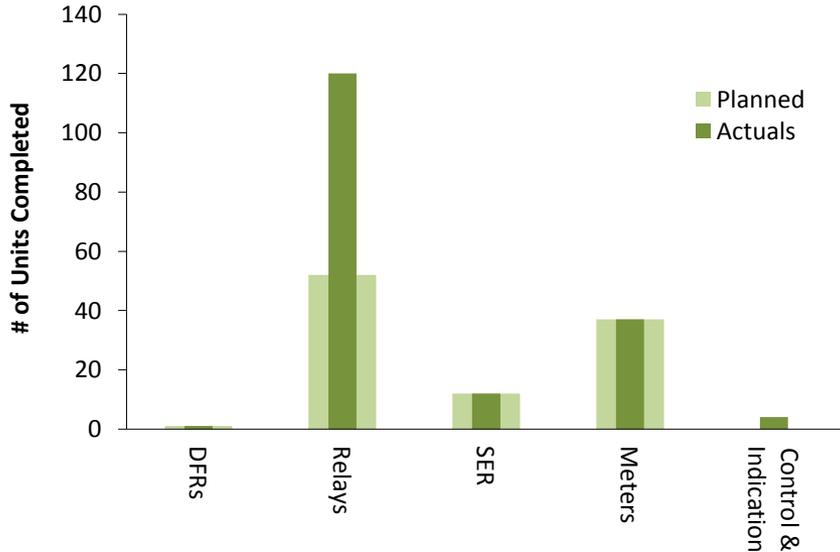
Program Profile

Over 28,000 units of equipment in approximately 956 locations, including all BPA substations and many customer-owned substations, power houses, maintenance buildings and control centers.

- Protective relaying
- Sequential events recorders (SER)
- Fault recorders (DFR)
- Revenue and interchange metering
- Control and indication equipment

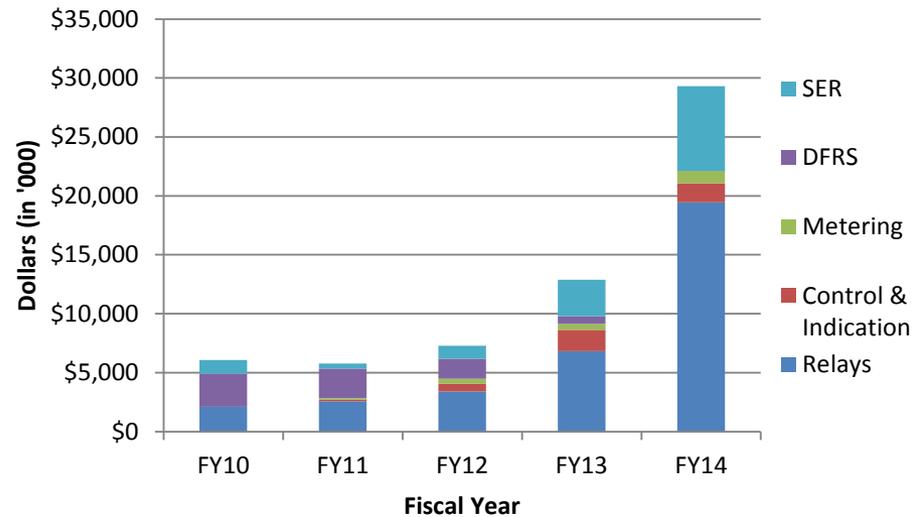
FY 2014 Work Accomplished

FY14 Units Planned vs. Actuals



FY 2014 Dollars Spent

Actuals - Capital FY2010-2014





McNary Sub Replace Indoor Analog Meters with Digital



Knight Sub Replace Bus Differential Relays

Wood Pole Lines

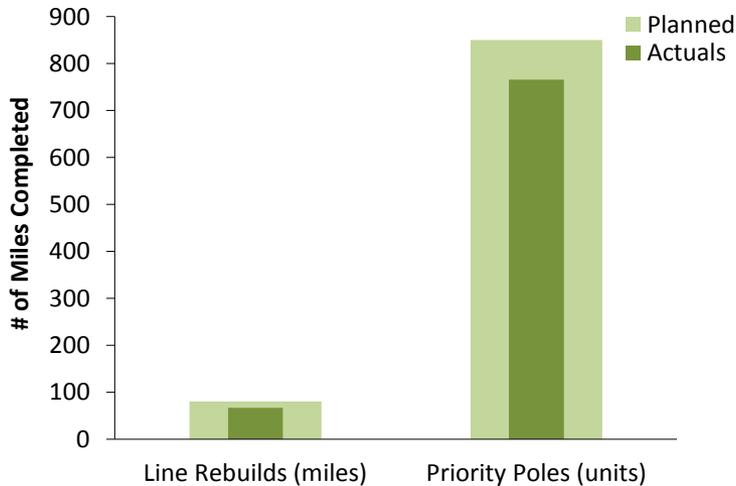
Program Profile

Approximately 1/3 of BPA's 15,276 total circuit miles of transmission lines. The total wood line mileage is comprised of approximately 336 lines that vary from 200 feet to over 100 miles in length, and contain approximately 73,500 wood poles in 37,250 structures. These lines are located throughout BPA's service area and are typically 115 and 230kV, with some 69, 138, and 161kV.

Wood Poles, Light Duty (wood equivalent) Steel Poles, Guying Systems (guy anchors, rods, guy strands, guy insulators), Cross Arms, Cross Braces, Conductor Insulator Assemblies & associated hardware, Ground Wire and associated hardware, Fiber Optic Cable Assemblies, Conductor, Obstruction Marking (Airway Lighting, Marker Balls), Line Disconnect Switches

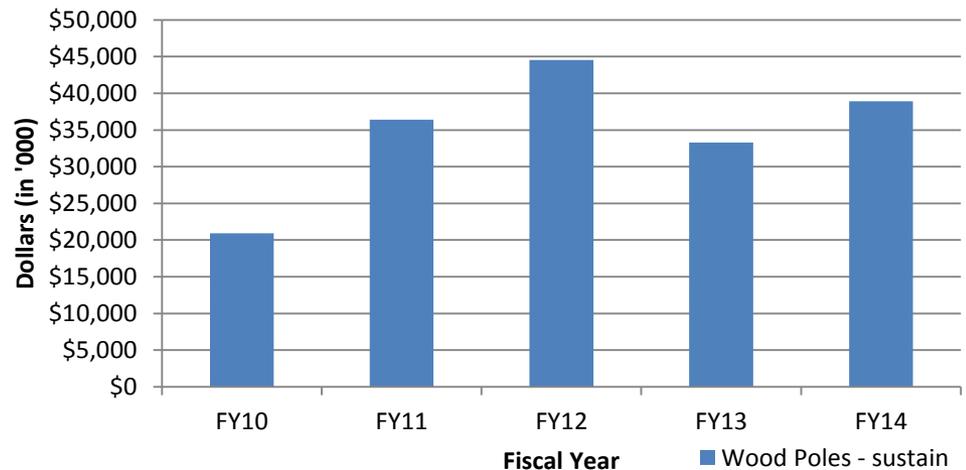
FY 2014 Work Accomplished

FY14 Units Planned vs. Actuals



FY 2014 Dollars Spent

Actuals - Capital FY2010-2014





Danger pole replacement,
Murray -Custer line, struck
by lightning.



Steel Lines

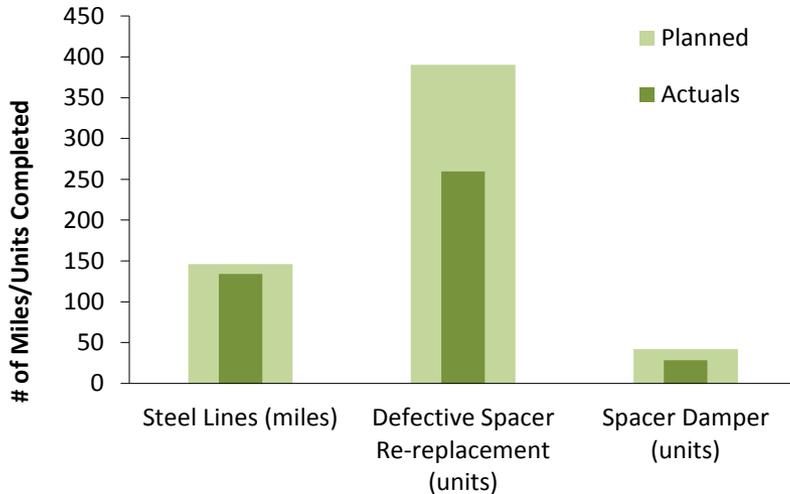
Program Profile

10,300 circuit miles on ~43,500 steel and aluminum lattice towers, steel lattice poles and engineered steel poles. This includes the Direct Current intertie (~260 circuit miles,) all of the 500kV grid (~4670 circuit miles including the AC interties,) along with about 80 percent of the 230-345kV system (~4900 circuit miles) and about 13 percent of the 115kV system (~470 circuit miles).

Lattice Towers, Lattice Poles, Engineered Steel Poles, Footings (concrete pier, rock, grillage, plate, pile), Guying Systems (guy anchors, rods, guy strands, guy insulators), Conductor (numerous all aluminum, aluminum with steel core, and copper conductor), Insulator assemblies & hardware (insulator string, suspension shoes, armor rod, dampers, jumper assemblies, shunts), Spacers and Spacer Dampers, Ground Wire and Associated Hardware, Obstruction Marking (airway lighting, marker balls)

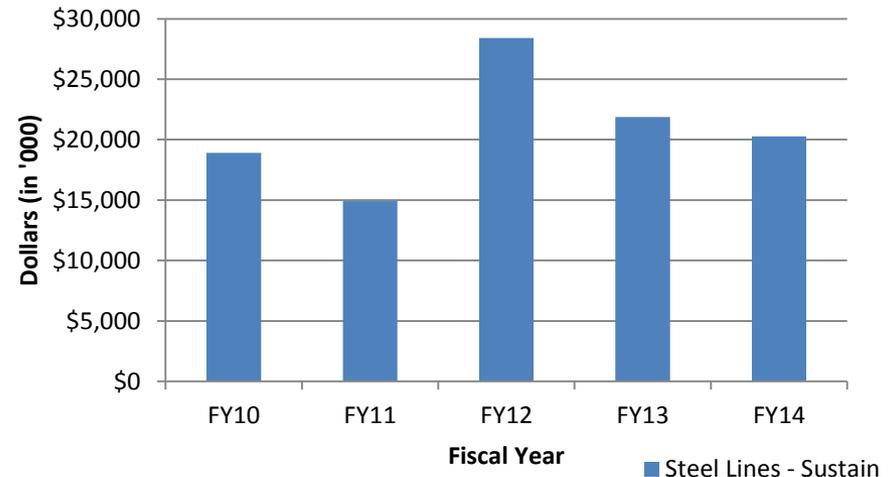
FY 2014 Work Accomplished

FY14 Miles Planned vs. Actuals



FY 2014 Dollars Spent

Actuals - Capital FY2010-2014





Olympia-Grand Coulee Insulator Replacements

Rights of Way - Land Rights

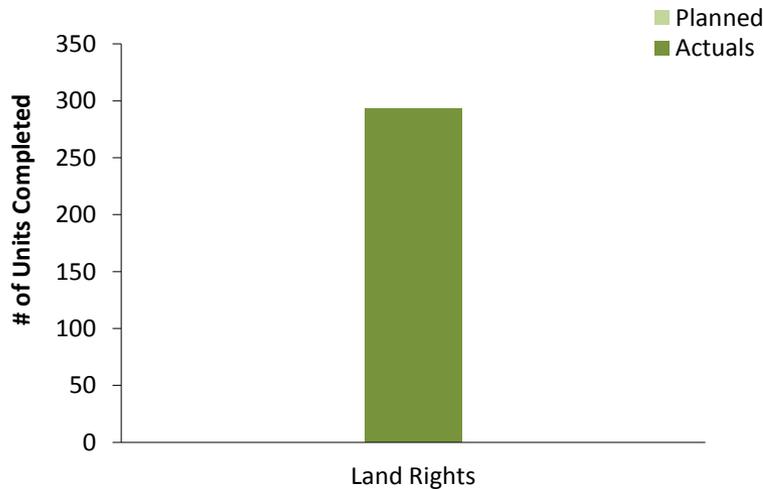
Program Profile

Approximately 80,000 tracts of easement for corridors and access roads

Asset	Count	Description
Easements	52,115	Line ROW and Access Roads Easements
Fee	1,507	Facilities and Substations
Permit	709	City, State, and Federal agreements
Lease	9	
Options	83	
Neither	3,851	

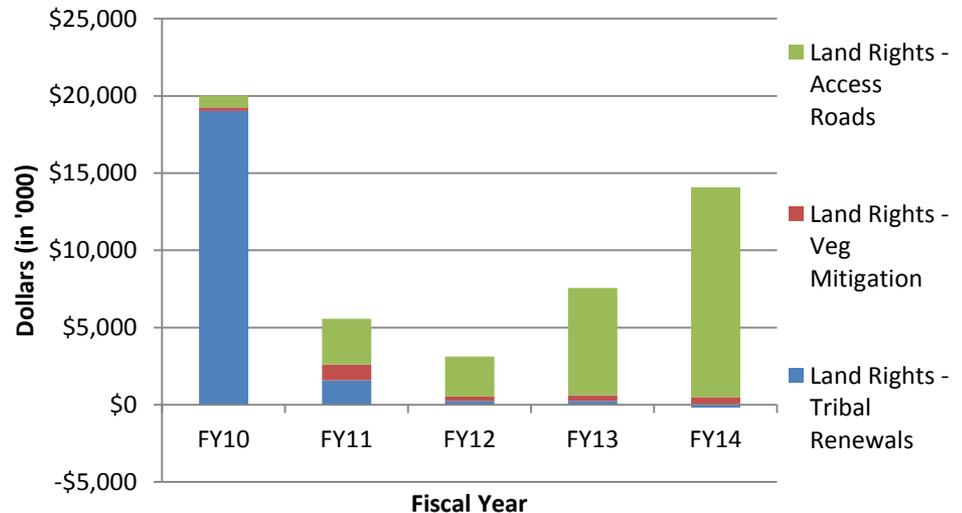
FY 2014 Work Accomplished

Land Rights - FY14 Units Planned vs. Actuals



FY 2014 Dollars Spent

Actuals - Capital FY2010-2014



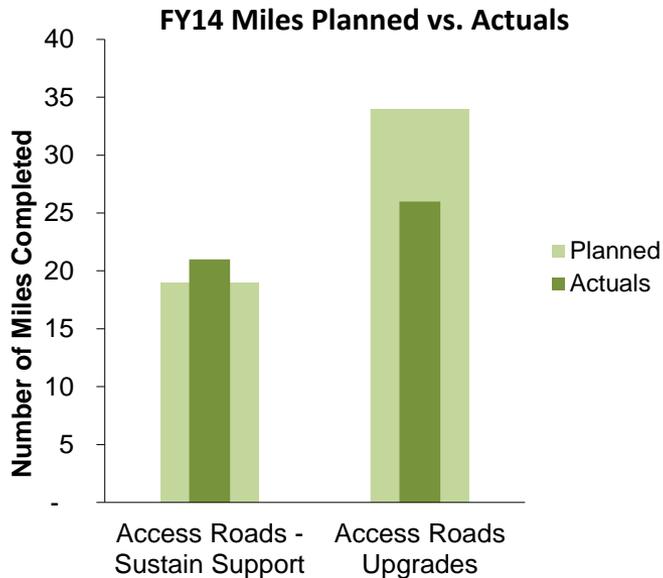
Rights of Way - Access Roads

Program Profile

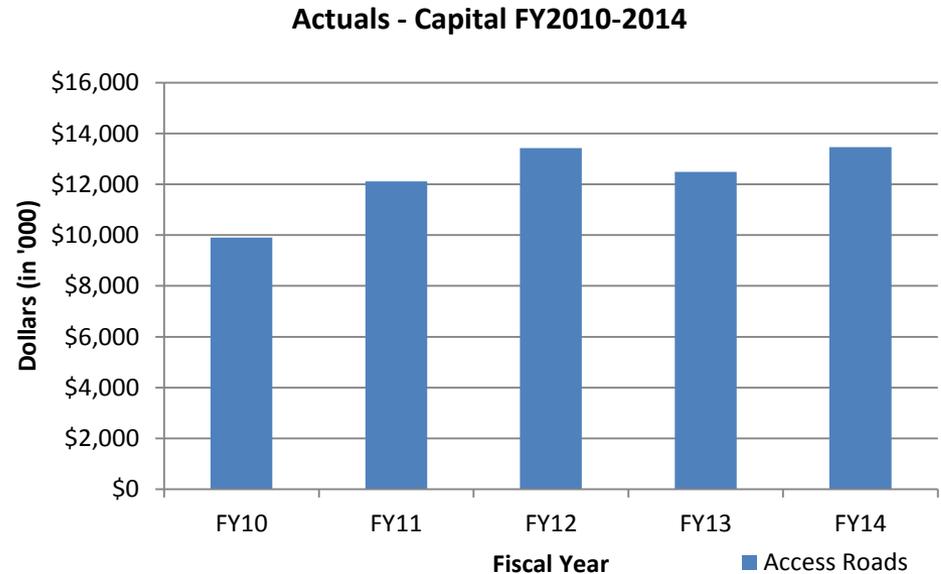
11,861 Miles, 27,225 Asset components

Asset	Count	Description
Access Roads	11,861 mi	Roads that provide the transportation system to and through transmission corridors.
Bridges	325	Bridges provide access across streams and rivers.
Culverts	10,100	Culverts provide access across streams, frequently requiring fish passage design.
Gates	16,800	Gates restrict access across private property and into transmission corridors.

FY 2014 Work Accomplished



FY 2014 Dollars Spent



Control Centers

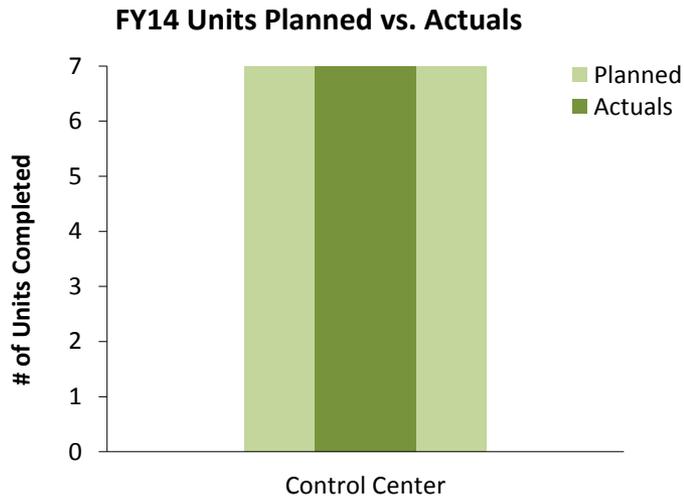
Program Profile

Includes all the systems, tools, infrastructure and support services required to manage the Transmission Grid. Requires a 24/7 availability support model with redundancy both within the systems and between the two control center sites.

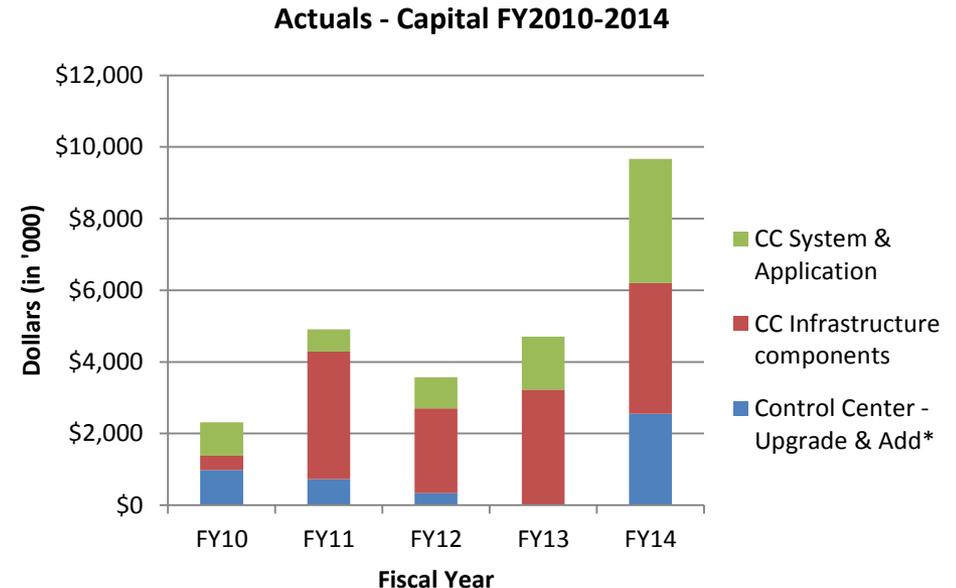
Grid Ops system assets can be considered in the following layers:

- Operations System Services (~37 systems)
- RAS Systems (~6 systems)
- Data Center Infrastructure & Support Services (~43 systems)

FY 2014 Work Accomplished



FY 2014 Dollars Spent



Material to be provided during meeting

Prioritization Update and Expectations

Mike DeWolf
Asset Manager

Dennis Naef
Asset Strategist

Doug Ballou
Asset Strategist

Debt Management Update

Damen Bleiler
Financial Analyst

Melike Kayim
Financial Analyst

Bill Hendricks
Financial Analyst

Table of Contents

- 2014 Debt Management Actions Review
 - Access to Capital Assumptions Review
 - Regional Cooperation Debt Refinancing Results
 - Federal Debt Refinancing Results
 - Investment Management Results (Matching Program)

Access to Capital Assumptions

- On June 17th, BPA presented and discussed the current Access to Capital recommendation
 - 50% of Transmission's projected capital expenditures to be financed through the Lease Purchase Program
 - Continue utilizing the \$340 million collected through the Power Prepay Program
 - Third party financing 70% of conservation capital projections beginning in 2016
 - Refinancing Energy Northwest regional cooperation debt and using freed up funds collected in rates to pay high interest federal obligations
 - With these actions, and with the latest capital expense projections from the 2014 CIR, U.S. Treasury Borrowing Authority is forecast to remain available through 2027 before exhausted

Access to Capital Assumptions

- Actions Completed in 2014
 - Roughly 56% Transmission's capital expenditures were funded through the Lease Purchase Program
 - Approximately \$135 million of the \$340 million Prepay Program proceeds have been utilized to date
 - BPA formally approached Energy Northwest to be the third-party conduit for Nonfederal Conservation Financing and the implementation stage ramped up to ready the program for SOY 2016
 - \$321 million of Energy Northwest regional cooperation debt was refinanced and funds freed up through collected rates were used to pay \$321 million of high interest rate federal obligations

Regional Cooperation Debt Refinancing Results

- Refunded EN Debt
 - \$321 million of bonds associated with Projects 1 and 3, with original maturities of 7/1/2014, were refinanced
 - The new bonds hold yields to maturity that range from 2.64% - 2.91%
 - The new bonds hold maturities that range from 7/1/2025 - 7/1/2028
 - The annual interest on these bonds for the 2016-17 rate period is \$13.5m
- Extinguished Federal Appropriations
 - \$321 million of Federal appropriations, with maturities of 9/30/2023 - 9/30/2026, were paid early
 - The interest rate on these bonds range from 7.15% - 7.19%
 - The annual interest on these bonds was \$22.9 million

Regional Cooperation Debt Refinancing Results

- FY 2014 Program Results
 - The overall savings of the 2014 transaction are approximately \$130 million in net present value
 - In Bonneville's Fiscal Years 2016-17, the difference in annual interest between the newly issued regional cooperation debt bonds and the appropriations that were extinguished early amounts to \$9.4 million

Federal Debt Refinancing Results

- Refunded Federal Debt
 - \$1,177 million of bonds Federal bonds, with original maturities ranging from 2025 - 2043, were refinanced
 - The old bonds held yields that range from 0.021% - 7.413%, which produced annual interest of \$49.4 million
 - Currently, the new bonds hold maturities that range from 2015 - 2039
 - The annual interest on the new bonds for the 2016-17 rate period is \$22.5 million
 - The net interest expense reduction in this period is about \$27 million

	Before Refunding				After Refunding				FY2016 and FY2017 Savings
	Principal	Average Coupon	Total Interest	Average Life	Principal	Average Coupon	Total Interest	Average Life	
Refunding for Savings	\$ 870,000,000	5.1630%	\$44,919,990	27.12	\$ 828,000,000	2.6580%	\$22,011,350	11.01	\$ 22,908,640
Refunding - Other	\$ 307,000,000	1.4730%	\$ 4,523,290	13.09	\$ 307,000,000	0.1500%	\$ 455,660	11.13	\$ 4,067,630
Total	\$ 1,177,000,000	4.2010%	\$49,443,280	23.46	\$ 1,135,000,000	1.9790%	\$22,467,010	11.04	\$ 26,976,270

Investment Management Results

- Asset/Liability “Matching” Program Update
 - At the start of FY 2014, BPA held \$300 million of variable rate debt on the books with an equal amount of short term investments
 - Per the approved plan to increase the program up to \$700 million, \$361 million of federal debt was issued as variable rate debt
 - At the end of FY 2014, BPA held \$661 million of variable rate debt is held by BPA, roughly \$64 million more than planned
 - In FY 2014, the weighted average interest rate for the variable rate debt was about 0.2%
 - The alternate issuance placement of the variable rate debt is between 10 to 20 year maturities with corresponding interest rates that on average have been 2.3% - 2.8%
 - More specifically in FY 2014, the new issuances that started in April saved approximately \$3 million in additional savings.
 - The current projection for savings for the program is about \$18m annually in fiscal years 2016-17

Post-2011 Follow-Up

Matt Tidwell
Policy Development Specialist

Scott Wilson
Senior Customer Account Executive

Background

- *Post-2011:* EE's framework beginning on October 1, 2011, which aligns with the implementation of BPA's Regional Dialogue power sales contracts
- *Prior Post-2011 public process:* conducted from January 2009 to March 2011
- *Review:* during the initial public process, BPA committed to considering improvements to the program after sufficient experience had been gained
- *Objective:* hold a public process to review and consider improvements to the BPA energy efficiency framework and associated implementation elements put in place on October 1, 2011

Post-2011 Review Process and Timeline



Post-2011 Review Issues

- ✓ WG1: EEI Allocation Methodology
- ✓ WG1: Two-Year EEI Budgets
- ✓ WG1: BPA Redirect of Unused EEI Funds
- ✓ WG1: BPA's Backstop Role
- ✓ WG1: Limitations of the Post-2011 Framework
- ✓ WG1: Performance Payments for Regional Programs
- ✓ WG1: Regional Program Administration
- ✓ WG1: Utility Self-Management of Incentives
- ✓ WG2: Frequency of Publishing the Implementation Manual
- ✓ WG3: Directing EEI to Low-Income EE
- ✓ WG4: Unassigned Account Allocation Methodology
- ✓ WG4: Capturing Savings from Large Projects
- ✓ WG5: Reporting and Verification of Self-funded Savings
- ✓ WG5: Timing of Customer Reporting to BPA

Funding for Energy Efficiency

- BPA will further evaluate, in collaboration with customers and stakeholders, moving from capital to expense.
 - BPA will engage the region in evaluating the business case for moving to expense and strategies for making a capital to expense transition, if warranted, prior to the BP18 initial proposal.
 - A decision on what to assume in the initial proposal would occur in the 2016 Integrated Program Review with opportunity for public input.

- In the meantime, BPA is pursuing third-party financing for funding the EEI portion of EE's capital program with FY 2016 as the target date for implementation.

Utility Self-Management of Incentives

- **Conservation Billing Credits:** BPA will consider customer requests for billing credits in exchange for independent conservation performed in the FY2016-2017 rate period and throughout the duration of the Regional Dialogue contracts.
- Draft contract includes a minimum funding amount and minimum savings amount and a financial penalty for underperformance.
- Billing credits will be designed to reasonably assure rate neutrality and not negatively impact non-billing credits customers

Timeline

- Oct - Nov 2014: public review and comment on draft billing credits contract and draft revisions to the agency's 1993 Billing Credits policy
- March 2015: interested customers sign billing credits contracts
- Oct 2015: customers begin receiving billing credits and reporting independent conservation savings

Capturing Savings from Large Projects

- **Large Project Program (LPP)**: Beginning October 1, 2015, BPA will allocate up to \$10 million per rate period to provide incentives above and beyond EEI budgets to customers for “large” projects. The cost of LPP acquisitions will be limited to customers that receive additional funds.
- **Targeted Adjusted Charge**: a customer that receives funds through the LPP would be charged the amount of BPA’s borrowing costs to pay for the customer’s project(s).

Inter-Rate Period Budget Flexibility

- **Roll Over**: BPA will roll over up to 5 percent of the start of rate period EEI budget; each customer can roll over up to 5 percent of its start of rate period EEI budget *irrespective of specific projects*
- Roll over will be allowed from FY 2015 to FY2016
- Pulling EEI from future years will not be allowed

Appendix 1

Report ID: 0020FY14 **FCRPS Summary Statement of Revenues and Expenses** Run Date/Run Time: October 17,2014/ 05:28
 Requesting BL: CORPORATE BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

	A	B	C	D <Note 1	E
	FY 2013	FY 2014			FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
Operating Revenues					
1 Gross Sales (excluding bookout adjustment) <Note 3	\$ 3,242,157	\$ 3,315,215	\$ 3,335,808	\$ 3,505,733	\$ 3,464,795
2 Bookout adjustment to Sales	(66,587)	-	-	(36,280)	(38,281)
3 Miscellaneous Revenues	82,019	64,039	70,174	58,482	65,378
4 U.S. Treasury Credits	88,692	101,773	101,773	113,976	108,453
5 Total Operating Revenues	3,346,281	3,481,026	3,507,754	3,641,910	3,600,346
Operating Expenses					
Power System Generation Resources					
Operating Generation Resources					
6 Columbia Generating Station	330,066	298,751	300,514	298,238	297,825
7 Bureau of Reclamation	127,116	140,601	140,601	140,601	137,695
8 Corps of Engineers	208,096	225,687	225,687	225,687	223,451
9 Long-term Contract Generating Projects	22,518	25,999	25,284	21,759	20,969
10 Operating Generation Settlement Payment	22,122	21,405	21,405	19,726	19,225
11 Non-Operating Generation	(25,878)	2,206	2,400	475	160
12 Gross Contracted Power Purchases and Augmentation Power Purch	220,987	76,915	95,444	204,591	237,500
13 Bookout Adjustment to Power Purchases	(66,587)	-	-	(36,280)	(38,281)
14 Exchanges & Settlements <Note 3	201,933	201,919	201,919	201,919	201,345
15 Renewables	30,057	39,692	39,701	36,824	35,812
16 Generation Conservation	36,078	48,408	55,760	38,664	37,531
17 Subtotal Power System Generation Resources	1,106,508	1,081,583	1,108,715	1,152,204	1,173,232
18 Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	53,113	57,718	57,153	57,287	55,513
19 Power Services Non-Generation Operations	79,254	92,111	89,850	78,926	75,587
20 Transmission Operations	114,942	140,729	137,877	136,714	131,396
21 Transmission Maintenance	146,933	154,233	154,348	149,546	153,989
22 Transmission Engineering	45,876	41,638	41,627	44,368	52,705
23 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	13,118	10,096	15,636	14,344	13,123
24 Transmission Reimbursables	15,401	10,530	10,333	8,822	12,866
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	277,237	294,128	294,191	294,191	271,962
BPA Internal Support					
26 Additional Post-Retirement Contribution	35,641	37,002	37,002	37,002	37,002
27 Agency Services G&A	111,976	115,029	122,065	117,654	126,550
28 Other Income, Expenses & Adjustments	(1,851)	-	-	1,606	(3,582)
29 Non-Federal Debt Service	733,313	727,667	731,172	409,633	355,828
30 Depreciation & Amortization	429,716	421,763	436,385	443,510	440,524
31 Total Operating Expenses	3,161,176	3,184,228	3,236,356	2,945,807	2,896,696
32 Net Operating Revenues (Expenses)	185,106	296,798	271,398	696,103	703,649
Interest Expense and (Income)					
33 Interest Expense	356,337	404,637	393,960	332,254	333,820
34 AFUDC	(37,529)	(47,645)	(44,100)	(50,400)	(50,236)
35 Interest Income	(28,937)	(25,492)	(24,815)	(23,900)	(23,446)
36 Net Interest Expense (Income)	289,871	331,499	325,045	257,954	260,138
37 Net Revenues (Expenses)	\$ (104,765)	\$ (34,701)	\$ (53,647)	\$ 438,148	\$ 443,512

- <1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.
- <2 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary Services.
- <3 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

Report ID: 0060FY14 **Power Services Detailed Statement of Revenues and Expenses** Run Date/Time: October 17, 2014 05:29
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Operating Revenues						
1 Gross Sales (excluding bookout adjustment) <Note 2	\$ 2,438,468	\$ 2,434,517	\$ 2,450,598	\$ 2,606,165	\$ 2,572,333	99%
2 Bookout Adjustment to Sales	(66,587)	-	-	(36,280)	(38,281)	106%
3 Miscellaneous Revenues	28,013	29,689	35,816	25,885	26,170	101%
4 Inter-Business Unit	143,689	117,696	128,405	141,018	142,244	101%
5 U.S. Treasury Credits	88,692	101,773	101,773	113,976	108,453	95%
6 Total Operating Revenues	2,632,274	2,683,675	2,716,591	2,850,764	2,810,919	99%
Operating Expenses						
Power System Generation Resources						
Operating Generation						
7 COLUMBIA GENERATING STATION	330,066	298,751	300,514	298,238	297,825	100%
8 BUREAU OF RECLAMATION	127,116	140,601	140,601	140,601	137,695	98%
9 CORPS OF ENGINEERS	208,096	225,687	225,687	225,687	223,451	99%
10 LONG-TERM CONTRACT GENERATING PROJECTS	22,518	25,999	25,284	21,759	20,969	96%
11 Sub-Total	687,796	691,038	692,086	686,285	679,940	99%
Operating Generation Settlements and Other Payments						
12 COLVILLE GENERATION SETTLEMENT	22,122	21,405	21,405	19,726	19,225	97%
13 Sub-Total	22,122	21,405	21,405	19,726	19,225	97%
Non-Operating Generation						
14 TROJAN DECOMMISSIONING	(26,485)	1,500	2,000	1,300	972	75%
15 WNP-1&4 O&M	607	706	400	(825)	(811)	98%
16 Sub-Total	(25,878)	2,206	2,400	475	160	34%
Gross Contracted Power Purchases (excluding bookout adjustments)						
17 PNCA HEADWATER BENEFITS	3,404	2,957	2,957	2,800	2,750	98%
18 PURCHASES FOR SERVICE AT TIER 2 RATES	23,382	5,296	5,296	4,956	4,925	99%
19 OTHER POWER PURCHASES - (e.g. Short-Term)	194,201	62,464	87,191	196,835	229,825	117%
20 Sub-Total	220,987	70,718	95,444	204,591	237,500	116%
21 Bookout Adjustments to Contracted Power Purchases	(66,587)	-	-	(36,280)	(38,281)	106%
Augmentation Power Purchases						
22 AUGMENTATION POWER PURCHASES	-	6,198	-	-	-	0%
23 Sub-Total	-	6,198	-	-	-	0%
Exchanges & Settlements						
24 RESIDENTIAL EXCHANGE PROGRAM <Note 2	201,933	201,919	201,919	201,919	201,345	100%
25 Sub-Total	201,933	201,919	201,919	201,919	201,345	100%
Renewable Generation						
26 RENEWABLE CONSERVATION RATE CREDIT	-	-	-	-	-	0%
27 RENEWABLES	30,463	39,799	39,807	36,824	35,843	97%
28 Sub-Total	\$ 30,463	\$ 39,799	\$ 39,807	\$ 36,824	\$ 35,843	97%

Report ID: 0060FY14

Power Services Detailed Statement of Revenues and Expenses

Run Date/Time: October 17, 2014 05:29

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended September 30, 2014

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 100%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Generation Conservation						
29 DSM TECHNOLOGY	\$ 1	\$ -	\$ -	\$ -	\$ -	0%
30 CONSERVATION ACQUISITION	10,394	16,444	16,444	12,993	12,416	96%
31 LOW INCOME ENERGY EFFICIENCY	5,025	5,155	5,155	5,155	5,155	100%
32 REIMBURSABLE ENERGY EFFICIENCY DEVELOPMENT	5,368	11,859	17,986	5,567	6,217	112%
33 LEGACY	773	1,031	1,031	717	717	100%
34 MARKET TRANSFORMATION	14,517	13,919	15,144	14,232	13,026	92%
35 CONSERVATION RATE CREDIT (CRC)	-	-	-	-	-	0%
36 Sub-Total	36,078	48,408	55,760	38,664	37,531	97%
37 Power System Generation Sub-Total	1,106,913	1,081,689	1,108,822	1,152,204	1,173,264	102%
Power Non-Generation Operations						
Power Services System Operations						
38 INFORMATION TECHNOLOGY	5,881	6,602	4,438	5,079	4,165	82%
39 GENERATION PROJECT COORDINATION	7,423	7,126	7,202	5,486	6,478	118%
40 SLICE IMPLEMENTATION	854	1,099	1,043	1,043	902	87%
41 Sub-Total	14,158	14,827	12,683	11,607	11,545	99%
Power Services Scheduling						
42 OPERATIONS SCHEDULING	8,426	10,398	9,828	8,136	8,323	102%
43 OPERATIONS PLANNING	6,444	7,641	7,398	6,726	6,539	97%
44 Sub-Total	14,871	18,039	17,225	14,861	14,861	100%
Power Services Marketing and Business Support						
45 POWER R&D	6,186	5,816	5,817	4,904	6,360	130%
46 SALES & SUPPORT	18,822	20,951	21,385	19,650	18,827	96%
47 STRATEGY, FINANCE & RISK MGMT	13,559	19,263	20,079	16,373	11,770	72%
48 EXECUTIVE AND ADMINISTRATIVE SERVICES	3,804	4,166	3,689	3,768	4,162	110%
49 CONSERVATION SUPPORT	7,902	9,094	9,101	7,762	8,128	105%
50 Sub-Total	50,273	59,290	60,072	52,457	49,247	94%
51 Power Non-Generation Operations Sub-Total	79,302	92,156	89,980	78,926	75,654	96%
Power Services Transmission Acquisition and Ancillary Services						
PBL Transmission Acquisition and Ancillary Services						
52 POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	99,295	95,716	95,716	103,547	109,190	105%
53 3RD PARTY GTA WHEELING	51,244	55,533	54,533	54,533	52,570	96%
54 POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	1,869	2,288	2,755	2,755	2,943	107%
55 GENERATION INTEGRATION / WIT-TS	9,941	11,256	11,256	11,256	10,775	96%
56 TELEMETERING/EQUIP REPLACEMT	1	52	52	-	-	0%
57 Power Srvc Trans Acquisition and Ancillary Services Sub-Tota	162,351	164,845	164,311	172,090	175,477	102%
Fish and Wildlife/USF&W/Planning Council/Environmental Req						
BPA Fish and Wildlife						
58 Fish & Wildlife	238,984	254,000	254,000	254,000	231,781	91%
59 USF&W Lower Snake Hatcheries	28,700	30,670	30,670	30,670	30,960	101%
60 Planning Council	10,118	10,568	10,568	10,568	9,727	92%
61 Fish and Wildlife/USF&W/Planning Council Sub-Total	\$ 277,802	\$ 295,238	\$ 295,238	\$ 295,238	\$ 272,467	92%

Report ID: 0060FY14 **Power Services Detailed Statement of Revenues and Expenses** Run Date/Time: October 17, 2014 05:29
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
BPA Internal Support						
62 Additional Post-Retirement Contribution	\$ 17,820	\$ 18,501	\$ 18,501	\$ 18,501	\$ 18,501	100%
63 Agency Services G&A (excludes direct project support)	52,108	55,102	59,353	56,101	58,267	104%
64 BPA Internal Support Sub-Total	69,928	73,603	77,854	74,602	76,768	103%
65 Bad Debt Expense	12	-	-	(0)	(2)	328%
66 Other Income, Expenses, Adjustments	(139)	-	-	645	(998)	-255%
Non-Federal Debt Service						
Energy Northwest Debt Service						
67 COLUMBIA GENERATING STATION DEBT SVC	96,935	89,776	90,561	89,927	89,987	100%
68 WNP-1 DEBT SVC	234,847	248,237	247,882	12,434	(19,356)	-256%
69 WNP-3 DEBT SVC	170,737	165,601	165,800	80,470	58,395	73%
70 Sub-Total	502,518	503,614	504,243	182,831	129,026	71%
Non-Energy Northwest Debt Service						
71 CONSERVATION DEBT SVC	2,617	2,418	2,511	2,511	2,511	100%
72 COWLITZ FALLS DEBT SVC	11,474	6,885	7,298	7,298	7,298	100%
73 NORTHERN WASCO DEBT SVC	1,926	1,931	1,931	1,931	1,931	100%
74 Sub-Total	16,018	11,234	11,740	11,740	11,740	100%
75 Non-Federal Debt Service Sub-Total	518,536	514,848	515,983	194,571	140,766	72%
76 Depreciation	130,353	126,508	132,000	134,000	132,491	99%
77 Amortization	92,819	97,940	95,870	95,870	94,776	99%
78 Total Operating Expenses	2,437,878	2,446,827	2,480,057	2,198,145	2,140,663	97%
79 Net Operating Revenues (Expenses)	194,397	236,849	236,534	652,618	670,256	103%
Interest Expense and (Income)						
80 Federal Appropriation	218,164	222,306	224,296	221,100	221,253	100%
81 Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(45,937)	100%
82 Borrowings from US Treasury	55,698	63,653	61,958	30,383	29,837	98%
83 Customer Prepaid Power Purchases	7,653	14,775	14,775	14,865	14,775	99%
84 AFUDC	(10,674)	(11,168)	(11,900)	(12,000)	(9,375)	78%
85 Interest Income	(15,444)	(15,845)	(13,894)	(14,797)	(14,192)	96%
86 Net Interest Expense (Income)	209,460	227,784	229,298	193,614	196,361	101%
87 Total Expenses	2,647,338	2,674,610	2,709,355	2,391,759	2,337,024	98%
88 Net Revenues (Expenses)	\$ (15,064)	\$ 9,065	\$ 7,236	\$ 459,004	\$ 473,895	103%

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

Report ID: 0061FY14

Transmission Services Detailed Statement of Revenues and Expenses

Run Date/Time: October 17, 2014 05:31

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended September 30, 2014

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 100%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Operating Revenues						
Sales						
Network						
Network Integration	\$ 122,700	\$ 127,650	\$ 127,650	\$ 132,119	\$ 132,912	101%
Other Network	379,306	445,882	442,896	439,321	434,240	99%
Intertie	78,774	71,048	71,143	70,523	70,160	99%
Other Direct Sales	222,910	236,117	243,521	257,605	255,151	99%
Miscellaneous Revenues	54,007	34,349	34,357	32,597	39,208	120%
Inter-Business Unit Revenues	122,177	111,560	108,273	116,212	120,625	104%
Total Operating Revenues	979,873	1,026,607	1,027,840	1,048,376	1,052,296	100%
Operating Expenses						
Transmission Operations						
System Operations						
INFORMATION TECHNOLOGY	9,115	7,415	4,661	11,901	12,522	105%
POWER SYSTEM DISPATCHING	12,155	13,589	13,589	13,361	12,260	92%
CONTROL CENTER SUPPORT	14,062	18,562	18,562	17,806	19,368	109%
TECHNICAL OPERATIONS	4,410	6,745	6,745	6,545	5,854	89%
SUBSTATION OPERATIONS	21,750	22,307	22,307	22,314	22,787	102%
Sub-Total	61,490	68,618	65,864	71,927	72,791	101%
Scheduling						
RESERVATIONS	4,160	5,697	5,697	1,389	1,049	76%
PRE-SCHEDULING	240	246	246	246	328	133%
REAL-TIME SCHEDULING	3,879	5,436	5,436	4,436	4,056	91%
SCHEDULING TECHNICAL SUPPORT	432	1,007	1,007	4,436	3,940	89%
SCHEDULING AFTER-THE-FACT	236	224	224	224	240	107%
Sub-Total	8,948	12,611	12,611	10,731	9,612	90%
Marketing and Business Support						
TRANSMISSION SALES	2,509	2,994	2,994	2,621	2,418	92%
MKTG TRANSMISSION FINANCE	(6)	-	-	-	-	0%
MKTG CONTRACT MANAGEMENT	4,498	5,291	5,377	5,037	4,509	90%
MKTG TRANSMISSION BILLING	2,528	2,858	2,768	2,560	2,358	92%
MKTG BUSINESS STRAT & ASSESS	6,552	6,955	7,050	6,246	6,216	100%
Marketing Sub-Total	16,081	18,098	18,189	16,464	15,501	94%
EXECUTIVE AND ADMIN SERVICES	10,364	13,774	13,774	13,636	10,318	76%
LEGAL SUPPORT	2,240	3,877	3,730	3,233	2,586	80%
TRANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	9,199	15,743	15,743	13,384	13,469	101%
AIRCRAFT SERVICES	1,205	2,030	1,970	1,873	1,273	68%
LOGISTICS SERVICES	4,710	5,014	5,031	4,566	5,340	117%
SECURITY ENHANCEMENTS	705	966	966	899	507	56%
Business Support Sub-Total	28,423	41,402	41,214	37,591	33,493	89%
Transmission Operations Sub-Total	\$ 114,942	\$ 140,729	\$ 137,877	\$ 136,714	\$ 131,396	96%

Report ID: 0061FY14 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: October 17, 2014 05:31
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

	A	B	C	D <small><Note 1</small>	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Transmission Maintenance						
System Maintenance						
34	NON-ELECTRIC MAINTENANCE	\$ 25,204	\$ 27,303	\$ 27,246	\$ 21,295	100%
35	SUBSTATION MAINTENANCE	27,726	31,121	31,110	31,110	98%
36	TRANSMISSION LINE MAINTENANCE	26,572	26,139	26,360	27,782	104%
37	SYSTEM PROTECTION CONTROL MAINTENANCE	11,869	13,096	13,096	11,963	91%
38	POWER SYSTEM CONTROL MAINTENANCE	17,623	16,904	16,867	20,791	128%
39	JOINT COST MAINTENANCE	123	1	1	134	107%
40	SYSTEM MAINTENANCE MANAGEMENT	7,076	6,434	6,434	7,290	113%
41	ROW MAINTENANCE	7,298	8,428	8,428	7,396	82%
42	HEAVY MOBILE EQUIP MAINT	(125)		0	200	0%
43	TECHNICAL TRAINING	2,211	3,201	3,201	2,087	95%
44	VEGETATION MANAGEMENT	17,928	17,135	17,135	19,536	108%
45	Sub-Total	143,506	149,763	149,877	149,763	103%
Environmental Operations						
46	ENVIRONMENTAL ANALYSIS		83	83	5	148%
47	POLLUTION PREVENTION AND ABATEMENT	3,427	4,387	4,387	4,221	95%
48	Sub-Total	3,427	4,471	4,471	4,226	95%
49	Transmission Maintenance Sub-Total	146,933	154,233	154,348	153,989	103%
Transmission Engineering						
System Development						
50	RESEARCH & DEVELOPMENT	6,657	7,782	7,782	7,565	105%
51	TSD PLANNING AND ANALYSIS	16,060	14,013	14,013	23,570	141%
52	CAPITAL TO EXPENSE TRANSFER	7,068	4,124	4,124	6,050	147%
53	NERC / WECC COMPLIANCE	13,056	12,015	12,005	12,425	103%
54	ENVIRONMENTAL POLICY/PLANNING	1,241	1,166	1,164	1,329	96%
55	ENG RATING AND COMPLIANCE	1,794	2,539	2,539	1,430	56%
56	Sub-Total	45,876	41,638	41,627	52,705	119%
57	Transmission Engineering Sub-Total	45,876	41,638	41,627	52,705	119%
Trans. Services Transmission Acquisition and Ancillary Services						
BBL Acquisition and Ancillary Products and Services						
58	ANCILLARY SERVICES PAYMENTS	131,064	108,900	116,030	128,594	101%
59	OTHER PAYMENTS TO POWER SERVICES	9,364	9,506	9,601	9,602	100%
60	STATION SERVICES PAYMENTS	3,264	2,785	2,785	2,719	97%
61	Sub-Total	143,692	121,191	128,416	142,245	101%
Non-BBL Acquisition and Ancillary Products and Services						
62	LEASED FACILITIES	3,968	4,258	4,258	3,939	93%
63	GENERAL TRANSFER AGREEMENTS (SETTLEMENT)	5,569	516	516	1,443	75%
64	NON-BBL ANCILLARY SERVICES	3,417	4,285	9,825	8,170	92%
65	TRANSMISSION RENEWABLES	162	1,037	1,037	-	0%
66	Sub-Total	13,116	10,096	15,636	14,344	91%
67	Trans. Svcs. Acquisition and Ancillary Services Sub-Total	156,807	131,287	144,052	155,368	100%
Transmission Reimbursables						
Reimbursables						
68	EXTERNAL REIMBURSABLE SERVICES	24,835	8,273	8,076	6,579	164%
69	INTERNAL REIMBURSABLE SERVICES	2,390	2,256	2,256	2,084	93%
70	Sub-Total	27,225	10,530	10,333	8,822	146%
71	Transmission Reimbursables Sub-Total	\$ 27,225	\$ 10,530	\$ 10,333	\$ 8,822	146%

Report ID: 0061FY14 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: October 17, 2014 05:31
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended September 30, 2014 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 100%

	A	B	C	D <Note 1	E	F
	FY 2013	FY 2014			FY 2014	FY 2014
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
BPA Internal Support						
72 Additional Post-Retirement Contribution	\$ 17,820	\$ 18,501	\$ 18,501	\$ 18,501	\$ 18,501	100%
73 Agency Services G & A (excludes direct project support)	59,868	59,927	62,713	61,553	68,283	111%
74 BPA Internal Support Subtotal	77,689	78,428	81,214	80,054	86,784	108%
Other Income, Expenses, and Adjustments						
75 Bad Debt Expense	44	-	-	4	(11)	-335%
76 Other Income, Expenses, Adjustments	(1,673)	-	-	957	(2,515)	-363%
77 Undistributed Reduction	-	-	-	-	-	0%
78 Depreciation	204,848	195,154	206,615	211,615	211,192	100%
79 Amortization	1,697	2,162	1,900	2,025	2,065	102%
80 Total Operating Expenses	774,388	754,161	777,966	789,364	803,840	102%
81 Net Operating Revenues (Expenses)	205,486	272,446	249,874	259,012	248,455	96%
Interest Expense and (Income)						
82 Federal Appropriation	18,641	14,540	14,860	14,514	14,514	100%
83 Capitalization Adjustment	(18,968)	(18,968)	(18,968)	(18,968)	(18,968)	100%
84 Borrowings from US Treasury	81,801	110,143	94,446	69,589	69,430	100%
85 Debt Service Reassignment	53,671	44,124	44,475	44,348	44,348	100%
86 Customer Advances	7,962	9,104	8,870	7,648	7,626	100%
87 Lease Financing	31,323	31,103	39,660	39,060	41,290	106%
88 AFUDC	(26,855)	(36,477)	(32,200)	(38,400)	(40,861)	106%
89 Interest Income	(13,493)	(9,647)	(10,921)	(9,102)	(9,254)	102%
90 Net Interest Expense (Income)	134,082	143,923	140,222	108,689	108,125	99%
91 Total Expenses	908,469	898,084	918,188	898,053	911,965	102%
92 Net Revenues (Expenses)	\$ 71,404	\$128,523	\$109,652	\$150,323	\$140,331	93%

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

Report ID: 0067FY14	BPA Statement of Capital Expenditures	Run Date/Run Time: October 17, 2014/ 09:05
Requesting BL: CORPORATE BUSINESS UNIT	FYTD Through the Month Ended September 30, 2014	Data Source: EPM Data Warehouse
Unit of Measure: \$Thousands	Preliminary Unaudited	% of Year Elapsed = 100%

	A	B	C	D	E	F
	FY 2014		FY 2014		FY 2014	
	SOY Budget	Current EOY Forecast	Actuals: Sep	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast

Transmission Business Unit

	MAIN GRID					
1	CENTRAL OREGON REINFORCEMENT	\$ 4,490	\$ 242	\$ 68	\$ 271	6%
2	BIG EDDY-KNIGHT 500kv PROJECT	38,418	25,677	1,618	21,262	55%
3	OLYMPIC PENINSULA REINFORCEMENT	19	(75)	-	(64)	-335%
4	WEST OF MCNARY INTEGRATION PRO	116	28	-	23	20%
5	I-5 CORRIDOR UPGRADE PROJECT	8,727	18,841	2,520	22,460	257%
6	CENTRAL FERRY- LOWER MONUMNTAL	32,915	44,607	6,730	54,580	166%
7	SEATTLE-PUDGET SOUND AREA	8,347	3,993	192	2,886	35%
8	PORTLAND-VANCOUVER	3,288	7,179	68	7,310	222%
9	WEST OF CASCADES NORTH	8,853	9,570	623	8,725	99%
10	NORTHERN INTERTIE	-	29	-	(94)	0%
11	SALEM- ALBANY-EUGENE AREA	8,291	369	69	499	6%
12	TRI-CITIES AREA	5,312	6,366	(224)	6,948	131%
13	MONTANA-WEST OF HATWAI	1,905	784	516	1,269	67%
14	NERC CRITERIA COMPLIANCE	-	150	22	157	0%
15	MISC. MAIN GRID PROJECTS	10,624	2,279	519	3,346	31%
16	TOTAL MAIN GRID	131,305	120,039	12,721	129,579	99%
	AREA & CUSTOMER SERVICE					
17	ROGUE SVC ADDITION	1,728	1,304	(82)	2,456	142%
18	CITY OF CENTRALIA PROJECT	15	84	1	8	51%
19	SOUTHERN IDAHO - LOWER VALLEY	19,983	3,654	212	4,981	25%
20	LONGVIEW AREA REINFORCEMENT	1,107	4,565	2	3,410	308%
21	KALISPELL-FLATHEAD VALLEY	2,783	4,376	7	4,821	173%
22	MISC. AREA & CUSTOMER SERVICE	1,518	258	251	363	24%
23	TOTAL AREA & CUSTOMER SERVICE	\$ 27,133	\$ 14,243	\$ 391	\$ 16,039	59%

Report ID: 0067FY14 Requesting BL: CORPORATE BUSINESS UNIT Unit of Measure: \$Thousands	BPA Statement of Capital Expenditures FYTD Through the Month Ended September 30, 2014 Preliminary Unaudited	Run Date/Run Time: October 17, 2014/ 09:05 Data Source: EPM Data Warehouse % of Year Elapsed = 100%
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A	B	C	D	E	F
FY 2014		FY 2014		FY 2014	
SOY Budget	Current EOY Forecast	Actuals: Sep	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast

Transmission Business Unit (Continued)

	SYSTEM REPLACEMENTS					
24	TEAP - TOOLS	\$ 1,504	\$ 1,072	\$ 587	\$ 1,149	76% 107%
25	TEAP - EQUIPMENT	6,602	1,832	315	1,241	19% 68%
26	SPC - SER	2,514	8,729	550	9,418	375% 108%
27	SPC - DFRS	-	34	-	41	0% 123%
28	SPC - METERING	1,686	1,168	87	1,396	83% 120%
29	SPC - CONTROL AND INDICATION	1,265	1,407	(81)	2,134	169% 152%
30	SPC - RELAYS	19,826	19,282	1,956	25,692	130% 133%
31	PSC - TELEPHONE SYSTEMS	489	1,558	245	1,434	293% 92%
32	PSC - TRANSFER TRIP	9,555	12,097	1,186	14,470	151% 120%
33	PSC - FIN/OP NETWORKS	1,360	1,233	114	1,272	94% 103%
34	PSC - TLECOM TRANSPORT	1,563	1,922	152	2,044	131% 106%
35	PSC - SCADA/TELEMTRY/SUP CNTRL	3,457	1,815	(15)	1,966	57% 108%
36	PSC- TELECOM SUPPORT EQUIPMENT	4,476	8,380	730	7,029	157% 84%
37	SUB DC - SUSTAIN	2,571	1,922	(75)	1,688	66% 88%
38	SUB AC- BUS & STRUCTURES	1,093	980	53	901	82% 92%
39	SUB AC - LOW VOLTAGE AUX.	7,806	15,085	1,255	12,127	155% 80%
40	SUB AC- SHUNT CAPACITORS	2,389	677	(12)	734	31% 108%
41	SUB AC-CIRCUIT BRKR & SWTCH GR	16,861	23,580	686	23,154	137% 98%
42	SUB AC - CVT/PT/CT & ARRESTERS	1,721	1,963	325	1,923	112% 98%
43	SUB AC-TRANSFORMERS & REACTORS	2,686	5,228	322	6,617	246% 127%
44	LINES STEEL - SUSTAIN	19,603	24,942	8,024	23,863	122% 96%
45	LINES WOOD POLES - SUSTAIN	53,445	65,379	4,728	49,697	93% 76%
46	SYSTEM TELECOM - SUSTAIN	31,422	33,008	2,807	31,147	99% 94%
47	MISC. REPLACEMENT PROJECTS	-	(10,112)	91	(8,241)	0% 81%
48	MISC FACILITIES- NON-ELECTRIC	40,079	44,422	2,793	40,461	101% 91%
49	TOTAL SYSTEM REPLACEMENTS	\$ 233,973	\$ 267,604	\$ 26,823	\$ 253,357	108% 95%

Report ID: 0067FY14	BPA Statement of Capital Expenditures	Run Date/Run Time: October 17, 2014/ 09:05
Requesting BL: CORPORATE BUSINESS UNIT	FYTD Through the Month Ended September 30, 2014	Data Source: EPM Data Warehouse
Unit of Measure: \$Thousands	Preliminary Unaudited	% of Year Elapsed = 100%

		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Sep	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Transmission Business Unit (Continued)							
UPGRADES & ADDITIONS							
50	IT PROJECTS	\$ 8,226	\$ 8,232	\$ 316	\$ 2,958	36%	36%
51	SECURITY ENHANCEMENTS	4,428	2,705	(16)	1,489	34%	55%
52	LAND RIGHTS - ACCESS ROADS	4,995	16,377	1,013	13,580	272%	83%
53	LAND RIGHTS- VEG MITIGATION	879	1,525	101	498	57%	33%
54	LAND RIGHTS - TRIBAL RENEWALS	167	(259)	8	(186)	-111%	72%
55	ACCESS ROADS	25,722	17,797	3,790	16,300	63%	92%
56	SUB AC - UPGRADES & ADDITIONS	32,544	15,894	897	18,091	56%	114%
57	LINE SWITCH UPGRADES	506	-	-	-	0%	0%
58	LINE - UPGRADES & ADDITIONS	10,750	1,244	154	1,663	15%	134%
59	SUB DC - UPGRADES & ADDITIONS	102,442	97,742	34,015	96,286	94%	99%
60	CONTROL CENTERS-UPGRADE & ADD	1,757	2,476	986	3,172	181%	128%
61	CC SYSTEM & APPLICATION	4,214	5,294	234	4,757	113%	90%
62	CC INFRASTRUCTURE COMPONENTS	3,135	3,898	6	4,694	150%	120%
63	SYSTEM TELECOM - UPGRADE & ADD	13,466	14,498	3,135	18,898	140%	130%
64	MISC. UPGRADES AND ADDITIONS	43,317	12,617	3,197	18,168	42%	144%
65	TOTAL UPGRADES & ADDITIONS	256,548	200,040	47,837	200,368	78%	100%
ENVIRONMENT CAPITAL							
66	MISC. ENVIRONMENT PROJECTS	6,804	6,710	818	6,902	101%	103%
67	TOTAL ENVIRONMENT CAPITAL	6,804	6,710	818	6,902	101%	103%
68	CAPITAL DIRECT	655,762	608,635	88,590	606,245	92%	100%
PFIA							
69	MISC. PFIA PROJECTS	4,802	3,662	1,640	6,584	137%	180%
70	GENERATOR INTERCONNECTION	10,118	715	154	757	7%	106%
71	SPECTRUM RELOCATION	200	10	6	16	8%	153%
72	TOTAL PFIA	15,119	4,388	1,800	7,357	49%	168%
73	CAPITAL INDIRECT	()	-	19,145	(395)	0%	0%
74	LAPSE FACTOR	(33,158)	-	-	-	0%	0%
75	TOTAL Transmission Business Unit	\$ 637,724	\$ 613,023	\$ 109,536	\$ 613,207	96%	100%

Report ID: 0067FY14
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures
 FYTD Through the Month Ended September 30, 2014
 Preliminary Unaudited

Run Date/Run Time: October 17, 2014/ 09:05
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 100%

		FY 2014		FY 2014		FY 2014	
		SOY Budget	Current EOY Forecast	Actuals: Sep	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Power Business Unit							
76	BUREAU OF RECLAMATION	\$ 78,181	\$ 44,320	\$ 7,792	\$ 41,645	53%	94%
77	CORPS OF ENGINEERS	159,461	146,863	18,700	131,242	82%	89%
78	GENERATION CONSERVATION	75,200	94,000	9,045	77,887	104%	83%
79	POWER INFORMATION TECHNOLOGY	9,726	7,470	667	6,910	71%	93%
80	FISH & WILDLIFE	60,275	50,000	17,225	37,353	62%	75%
81	LAPSE FACTOR	(11,882)	-	-	-	0%	0%
82	TOTAL Power Business Unit	370,961	342,653	53,429	295,037	80%	86%
Corporate Business Unit							
83	CORPORATE BUSINESS UNIT	30,060	25,071	2,986	20,506	68%	82%
84	TOTAL Corporate Business Unit	30,060	25,071	2,986	20,506	68%	82%
85	TOTAL BPA Capital Expenditures	\$ 1,038,745	\$ 980,747	\$ 165,951	\$ 928,750	89%	95%

Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process

Dates	Agenda
October 2014	BPA External CPA firm conducting audit for fiscal year end
Mid-October 2014	Recording the End of Fiscal Year Slice True-Up Adjustment Accrual for the Composite Cost Pool in the financial system
End of October 2014	Final audited actual financial data is expected to be available
November 4, 2014	Fourth Quarter Business Review Meeting with customers Provide Slice True-Up Adjustment for the Composite Cost Pool (this is the number posted in the financial system and is expected to be the final number)
November 17, 2014	Mail notification to Slice Customers of the Slice True-Up Adjustment for the Composite Cost Pool
November 19, 2014	BPA to post Composite Cost Pool True-Up Table containing actual values and the Slice True-Up Adjustment
December 11, 2014	Deadline for customers to submit questions about actual line items in the Composite Cost Pool True-Up Table with the Slice True-Up Adjustment for inclusion in the Agreed Upon Procedures (AUPs) Performed by BPA external CPA firm (customers have 15 business days following the posting of Composite Cost Pool Table containing actual values and the Slice True-Up Adjustment
December 19, 2014	BPA posts a draft list of AUP tasks to be performed (Attachment A does not specify an exact date)
January 6, 2014	Customer comments are due on the list of tasks (The deadline can not exceed 10 days from BPA posting)
January 13, 2014	BPA finalizes list of questions about actual lines items in the Composite Cost Pool True-Up Table for the AUPs

Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process

January 15, 2014	External auditor to begin the work on the AUP tasks requested by customers
March 17, 2014	External auditor to complete the AUPs (may have up to 120 calendar days)
March 24, 2014	Initial Cost Verification Workshop
April 14, 2014	Customer comment period deadline
April 21, 2014	Follow-up Cost Verification Workshop
May 12, 2014	BPA Draft Response on AUP Report and questions/items raised during workshops
End of May 2014	If customers do not deliver any notice of grievances that are vetted with a third party Neutral, BPA will issue a Final Response on the AUP Report

Composite Cost Pool True-Up Table

		EOY Final Accrual (\$000)	FY 2014 Rate Case forecast (\$000)	EOY Final Accrual - FY 2014 Rate Case Difference (\$000)
1	Operating Expenses			
2	Power System Generation Resources			
3	Operating Generation			
4	COLUMBIA GENERATING STATION (WNP-2)	\$ 297,825	\$ 298,751	\$ (926)
5	BUREAU OF RECLAMATION	\$ 137,695	\$ 140,601	\$ (2,906)
6	CORPS OF ENGINEERS	\$ 223,451	\$ 225,687	\$ (2,236)
7	LONG-TERM CONTRACT GENERATING PROJECTS	\$ 20,969	\$ 25,999	\$ (5,031)
8	Sub-Total	\$ 679,940	\$ 691,038	\$ (11,098)
9	Operating Generation Settlement Payment and Other Payments			
10	COLVILLE GENERATION SETTLEMENT	\$ 19,225	\$ 21,405	\$ (2,180)
11	SPOKANE LEGISLATION PAYMENT	\$ -	\$ -	\$ -
12	Sub-Total	\$ 19,225	\$ 21,405	\$ (2,180)
13	Non-Operating Generation			
14	TROJAN DECOMMISSIONING	\$ 972	\$ 1,500	\$ (528)
15	WNP-1&3 DECOMMISSIONING	\$ (811)	\$ 706	\$ (1,517)
16	Sub-Total	\$ 160	\$ 2,206	\$ (2,046)
17	Gross Contracted Power Purchases			
18	PNCA HEADWATER BENEFITS	\$ 2,750	\$ 2,957	\$ (207)
19	HEDGING/MITIGATION (omit except for those assoc. with augmentation)	\$ -	\$ -	\$ -
20	OTHER POWER PURCHASES (omit, except Designated Obligations or Purchases)	\$ 23,146	\$ -	\$ 23,146
21	Sub-Total	\$ 25,896	\$ 2,957	\$ 22,939
22	Bookout Adjustment to Power Purchases (omit)			
23	Augmentation Power Purchases (omit - calculated below)			
24	AUGMENTATION POWER PURCHASES	\$ -	\$ -	\$ -
25	Sub-Total	\$ -	\$ -	\$ -
26	Exchanges and Settlements			
27	RESIDENTIAL EXCHANGE PROGRAM (REP) (SOY does not include \$973K REP admin costs)	\$ 201,345	\$ 202,892	\$ (1,547)
28	REP ADMINISTRATION COSTS (\$973K rate case amount is included in row 27 column D)	\$ -	\$ -	\$ -
29	OTHER SETTLEMENTS	\$ -	\$ -	\$ -
30	Sub-Total	\$ 201,345	\$ 202,892	\$ (1,547)
31	Renewable Generation			
32	CONTRA EXPENSE for GEP reinvestments	\$ (1,223)	\$ (750)	\$ (473)
33	RENEWABLES (excludes KIII)	\$ 26,367	\$ 29,798	\$ (3,431)
34	Sub-Total	\$ 25,144	\$ 29,048	\$ (3,904)

Composite Cost Pool True-Up Table

		EOY Final Accrual (\$000)	FY 2014 Rate Case forecast (\$000)	EOY Final Accrual - FY 2014 Rate Case Difference (\$000)
35	Generation Conservation			
36	DSM TECHNOLOGY	\$ -	\$ -	\$ -
37	CONSERVATION ACQUISITION	\$ 12,416	\$ 16,444	\$ (4,028)
38	LOW INCOME WEATHERIZATION & TRIBAL	\$ 5,155	\$ 5,155	\$ 0
39	ENERGY EFFICIENCY DEVELOPMENT	\$ 6,217	\$ 11,859	\$ (5,642)
40	LEGACY	\$ 717	\$ 1,031	\$ (314)
41	MARKET TRANSFORMATION	\$ 13,026	\$ 13,919	\$ (892)
42	CONSERVATION Rate Credit (CRC)	\$ -	\$ -	\$ -
43	Sub-Total	\$ 37,531	\$ 48,408	\$ (10,876)
44	Power System Generation Sub-Total	\$ 989,241	\$ 997,954	\$ (8,713)
45				
46	Power Non-Generation Operations			
47	Power Services System Operations			
48	EFFICIENCIES PROGRAM	\$ -	\$ -	\$ -
49	INFORMATION TECHNOLOGY	\$ 4,165	\$ 6,602	\$ (2,437)
50	GENERATION PROJECT COORDINATION	\$ 6,478	\$ 6,826	\$ (348)
51	SLICE IMPLEMENTATION	\$ 902	\$ 1,099	\$ (197)
52	Sub-Total	\$ 11,545	\$ 14,527	\$ (2,982)
53	Power Services Scheduling			
54	OPERATIONS SCHEDULING	\$ 8,323	\$ 10,398	\$ (2,075)
55	OPERATIONS PLANNING	\$ 6,539	\$ 7,641	\$ (1,102)
56	Sub-Total	\$ 14,861	\$ 18,039	\$ (3,177)
57	Power Services Marketing and Business Support			
58	POWER R&D	\$ 6,360	\$ 5,816	\$ 544
59	SALES & SUPPORT	\$ 18,827	\$ 20,951	\$ (2,124)
60	STRATEGY, FINANCE & RISK MGMT (SOY column C row 60 includes REP support costs)	\$ 11,770	\$ 18,299	\$ (6,529)
61	EXECUTIVE AND ADMINISTRATIVE SERVICES	\$ 4,162	\$ 4,157	\$ 5
62	CONSERVATION SUPPORT	\$ 8,128	\$ 9,094	\$ (966)
63	Sub-Total	\$ 49,247	\$ 58,317	\$ (9,070)
64	Power Non-Generation Operations Sub-Total	\$ 75,654	\$ 90,883	\$ (15,229)
65	Power Services Transmission Acquisition and Ancillary Services			
66	TRANSMISSION and ANCILLARY Services - System Obligations	\$ 36,442	\$ 36,442	\$ -
67	3RD PARTY GTA WHEELING	\$ 52,570	\$ 55,533	\$ (2,963)
68	POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS (omit)	\$ -	\$ -	\$ -
69	TRANS ACQ GENERATION INTEGRATION	\$ 10,775	\$ 11,256	\$ (481)
70	TELEMETERING/EQUIP REPLACEMT	\$ -	\$ 52	\$ (52)
71	Power Services Trans Acquisition and Ancillary Serv Sub-Total	\$ 99,787	\$ 103,283	\$ (3,496)

Composite Cost Pool True-Up Table

		EOY Final Accrual (\$000)	FY 2014 Rate Case forecast (\$000)	EOY Final Accrual - FY 2014 Rate Case Difference (\$000)
72	Fish and Wildlife/USF&W/Planning Council/Environmental Req			
73	BPA Fish and Wildlife			
74	Fish & Wildlife	\$ 231,781	\$ 254,000	\$ (22,219)
75	USF&W Lower Snake Hatcheries	\$ 30,960	\$ 30,670	\$ 290
76	Planning Council	\$ 9,727	\$ 10,568	\$ (841)
77	Environmental Requirements	\$ -	\$ 300	\$ (300)
78	Fish and Wildlife/USF&W/Planning Council Sub-Total	\$ 272,467	\$ 295,538	\$ (23,070)
79	BPA Internal Support			
80	Additional Post-Retirement Contribution	\$ 18,501	\$ 18,501	\$ 0
81	Agency Services G&A (excludes direct project support)	\$ 58,267	\$ 55,102	\$ 3,165
82	BPA Internal Support Sub-Total	\$ 76,768	\$ 73,603	\$ 3,165
83	Bad Debt Expense	\$ (2)	\$ -	\$ (2)
84	Other Income, Expenses, Adjustments	\$ (998)	\$ -	\$ (998)
85	Non-Federal Debt Service			
86	Energy Northwest Debt Service			
87	COLUMBIA GENERATING STATION DEBT SVC	\$ 89,987	\$ 89,776	\$ 211
88	WNP-1 DEBT SVC	\$ (19,356)	\$ 248,237	\$ (267,593)
89	WNP-3 DEBT SVC	\$ 58,395	\$ 165,601	\$ (107,206)
90	EN RETIRED DEBT	\$ -	\$ -	\$ -
91	EN LIBOR INTEREST RATE SWAP	\$ -	\$ -	\$ -
92	Sub-Total	\$ 129,026	\$ 503,614	\$ (374,588)
93	Non-Energy Northwest Debt Service			
94	TROJAN DEBT SVC	\$ -	\$ -	\$ -
95	CONSERVATION DEBT SVC	\$ 2,511	\$ 2,418	\$ 93
96	COWLITZ FALLS DEBT SVC	\$ 7,298	\$ 6,885	\$ 413
97	NORTHERN WASCO DEBT SVC	\$ 1,931	\$ 1,931	\$ 0
98	Sub-Total	\$ 11,740	\$ 11,234	\$ 506
99	Non-Federal Debt Service Sub-Total	\$ 140,766	\$ 514,848	\$ (374,082)
100	Depreciation	\$ 132,491	\$ 126,508	\$ 5,983
101	Amortization	\$ 94,776	\$ 97,940	\$ (3,163)
102	Total Operating Expenses	\$ 1,880,951	\$ 2,300,555	\$ (419,605)
103				
104	Other Expenses			
105	Net Interest Expense	\$ 196,327	\$ 228,752	\$ (32,425)
106	LDD	\$ 34,733	\$ 35,303	\$ (570)
107	Irrigation Rate Discount Costs	\$ 18,814	\$ 18,816	\$ (2)
108	Sub-Total	\$ 249,875	\$ 282,872	\$ (32,997)
109	Total Expenses	\$ 2,130,825	\$ 2,583,427	\$ (452,602)
110				

Composite Cost Pool True-Up Table

	EOY Final Accrual (\$000)	FY 2014 Rate Case forecast (\$000)	EOY Final Accrual - FY 2014 Rate Case Difference (\$000)
111 Revenue Credits			
112 Generation Inputs for Ancillary, Control Area, and Other Services Revenues	\$ 142,244	\$ 117,696	\$ 24,549
113 Downstream Benefits and Pumping Power revenues	\$ 16,741	\$ 15,393	\$ 1,347
114 4(h)(10)(c) credit	\$ 103,853	\$ 97,173	\$ 6,681
115 Colville and Spokane Settlements	\$ 4,600	\$ 4,600	\$ -
116 Energy Efficiency Revenues	\$ 5,665	\$ 11,859	\$ (6,193)
117 Miscellaneous revenues	\$ 3,175	\$ 3,225	\$ (50)
118 Renewable Energy Certificates	\$ 1,049	\$ 1,061	\$ (13)
119 Pre-Subscription Revenues (Big Horn/Hungry Horse)	\$ 2,102	\$ 1,842	\$ 260
120 Net Revenues from other Designated BPA System Obligations (Upper Baker)	\$ 573	\$ 422	\$ 151
121 WNP-3 Settlement revenues	\$ 35,799	\$ 29,163	\$ 6,636
122 RSS Revenues	\$ 2,682	\$ 2,682	\$ 0
123 Firm Surplus and Secondary Adjustment (from Unused RHWM)	\$ 3,195	\$ 3,299	\$ (104)
124 Balancing Augmentation Adjustment	\$ (24,714)	\$ (24,714)	\$ -
125 Transmission Loss Adjustment	\$ 27,450	\$ 27,450	\$ -
126 Tier 2 Rate Adjustment	\$ 182	\$ 182	\$ -
127 NR Revenues	\$ 1	\$ 1	\$ -
128 Total Revenue Credits	\$ 324,598	\$ 291,336	\$ 33,262
129			
130 Augmentation Costs (not subject to True-Up)			
131 Tier 1 Augmentation Resources (includes Augmentation RSS and Augmentation RSC adders)	\$ 12,513	\$ 12,513	\$ -
132 Augmentation Purchases	\$ 6,199	\$ 6,199	\$ -
133 Total Augmentation Costs	\$ 18,712	\$ 18,712	\$ -
134			
135 DSI Revenue Credit			
136 Revenues 312 aMW, 312 aMW @ IP rate	\$ 106,528	\$ 106,510	\$ 19
137 Total DSI revenues	\$ 106,528	\$ 106,510	\$ 19
138			
139 Minimum Required Net Revenue Calculation			
140 Principal Payment of Fed Debt for Power	\$ 427,575	\$ 106,611	\$ 320,964
141 Irrigation assistance	\$ 52,644	\$ 52,550	\$ 94
142 Depreciation	\$ 132,491	\$ 126,508	\$ 5,983
143 Amortization	\$ 94,776	\$ 97,940	\$ (3,163)
144 Capitalization Adjustment	\$ (45,937)	\$ (45,937)	\$ 0
145 Bond Call Premium/Discount	\$ (20,937)	\$ -	\$ (20,937)
146 Non-Federal Interest (Prepay)	\$ 14,775	\$ 14,775	\$ (0)
147 Prepay Revenue Credits	\$ (30,600)	\$ (30,600)	\$ -
148 Principal Payment of Fed Debt exceeds non cash expenses	\$ 335,651	\$ (3,524)	\$ 339,175
149 Minimum Required Net Revenues	\$ 335,651	\$ -	\$ 335,651
150			
151 Annual Composite Cost Pool (Amounts for each FY)	\$ 2,054,062	\$ 2,204,294	\$ (150,232)
152			
153 SLICE TRUE-UP ADJUSTMENT CALCULATION FOR COMPOSITE COST POOL			
154 TRUE UP AMOUNT (Diff. between actual Comp. Cost Pool and forecast Comp. Cost Pool for applicable F	\$ (150,232)		
155 Sum of TOCAs	0.9798408		
156 Adjustment of True-Up Amount when actual TOCAs < 100 percent (divide by sum of TOCAs, expressed as	\$ (153,323)		
157 TRUE-UP ADJUSTMENT CHARGE BILLED (26.62752 percent)	\$ (40,826)		

Financial Disclosure

- The information contained in slides 4-17, 21-35, and 71-88 has been made publicly available by BPA on October 30, 2014 and contains BPA-approved Financial Information.
- The information contained in slides 18-20 and 36-70 has been made publicly available by BPA on October 30, 2014 and does not contain BPA-approved Financial Information.